Daily Report

East Asia

FBIS-EAS-90-181
Tuesday
18 September 1990

Daily Report
East Asia

FBIS-EAS-90-181 *18 September 1990*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Reportage on Olympic Committee's 96th Session 1
PRC Official Arrives *[KYODO]* 1
IOC Supports Kuwait *[KYODO]* 1
JOC Respects Pro-Kuwait Stance *[KYODO]* 1
Saudi Prince Discusses Iraq *[KYODO]* 1

INTER-ASIAN AFFAIRS

First SNC Talks Held 17 Sep, Reconvene 18 Sep *[AFP]* 2
SPK Reports Session 2
No Agreement Reached 17 Sep *[Bangkok THE NATION 18 Sep]* 2
Hun Sen Comments *[AFP]* 3
Chatchai Discusses Meeting *[Bangkok BANGKOK POST 18 Sep]* 3
Sihanouk Faction Denies Boycott *[AFP]* 4
'Trade-Off' on Roles Proposed *[AFP]* 5
Reported Agreement on Sihanouk *[AFP]* 6
Further on Reported PRC-Phnom Penh Meeting *[Bangkok THE NATION 18 Sep]* 6
Singapore Deputy Premier at ASEAN Meeting *[Singapore Radio]* 7

NORTHEAST ASIA

Japan

Legislator Seeks To Free Hostages in Iraq *[KYODO]* 8
Defense Chief Says SDF Can Join UN Forces *[Tokyo TV]* 8
Agreement Sought on UN Peacekeeping Squad *[KYODO]* 8
Medical Team Leaves for Saudi Arabia 18 Sep *[KYODO]* 8
U.S. Softens Stance on Farm Protection Measures *[KYODO]* 9
Ministry To Cooperate To Curb Stocks Crimes *[KYODO]* 9
Soviet Ambassador Meets With Kaifu 18 Sep *[KYODO]* 9
Defense White Paper Says 'Soviet Threat' Fades *[KYODO]* 10
Cold War Thaw Not To Affect Defense Spending *[KYODO]* 10
Watanabe Comments on Kanemaru's DPRK Visit *[KYODO]* 11
Over 40 Percent of Foreign Workers Said Illegal *[KYODO]* 11
Ministry Survey Shows Need for Skilled Workers *[KYODO]* 12

Mongolia

Diplomat Views Expanded Cooperation With U.S. *[Ulaanbaatar International]* 12
P. Ochirbat, Gonchigdorj Address Small Hural *[Ulaanbaatar International]* 12
Poll Conducted on Democracy, Hural Session *[Ulaanbaatar International]* 13

North Korea

Liaison Officials Prepare for 18 Sep Meeting *[Pyongyang Radio]* 13
KCNA Discusses Meeting 13
Joint UN Membership Urged, South Plan Opposed *[KCNA]* 13
Olympic Committee Chairman on South Attitude *[KCNA]* 14
Chongdaehyop Chairman Given Five-Year Sentence *[KCNA]* 14

U.S. Policy, Non-Proliferation Treaty Surveyed *[Pyongyang Radio]* 15
U.S. Policy Denounced *[KCNA]* 17
Red Cross Sends Message to South's Artists *[KCNA]* 17
Painting Commemorates Pan-National Rally *[KCNA]* 18
U.S., ROK Joint Air Exercises Denounced *[KCNA]* 18
Kim Il-song Receives Chinese Delegation *[KCNA]* 18
North Asian Games Team Departs for Beijing *[KCNA]* 18
Pyongyang Art Troupe Arrives in Tokyo *[KCNA]* 19
Two Delegations Leave for Yugoslavia *[KCNA]* 19
Vice Foreign Minister Back From Colombia, Peru *[Pyongyang Radio]* 19
French Senatorial Delegation Returns Home *[Pyongyang Radio]* 19
Newly Appointed Somali Leaders Greeted *[KCNA]* 19
Foreign Ministry Delegation Meets Yemeni Leader *[Pyongyang Radio]* 19
Foreign Party Leaders Greet Kim Il-song *[KCNA]* 20
Close Military, Party Relationship Emphasized *[Pyongyang Radio]* 20
Kim Il-song Receives Chuche Delegation *[KCNA]* 22
Kim Chong-il Receives Gift *[KCNA]* 22
National Financial, Bank Clerk Meeting Closes *[KCNA]* 23
Kang Song-san Attends Chongjin Workers Rally *[Pyongyang Radio]* 23
Remains of Ancient Koguryo Dynasty Unearthed *[KCNA]* 23

South Korea

Possible Changes in DPRK Policy Viewed *[SINDONG-A Sep]* 24
North's Economic Structure, Problems Examined *[SINDONG-A Sep]* 27
Unification Minister Briefs Assembly on Talks *[YONHAP]* 31
DPRK's UN Membership Proposal Rejected *[YONHAP]* 32
Denuclearization of Korean Peninsula Urged *[CHOSON ILBO 16 Sep]* 33
North Envoy Hints About Renewed Sports Talks *[YONHAP]* 33
DPRK Reporters Deny Kim Il-song's China Trip *[YONHAP]* 34
Unviversity Student Sentiment on U.S. Measured *[CHOSON ILBO 17 Sep]* 34
Ambassador to U.S. Comments on Gulf Aid *[YONHAP]* 35
More on Aid for Gulf Deployment *[YONHAP]* 35
Implications of Trade, Aviation Pacts Discussed *[THE KOREA TIMES 18 Sep]* 35
Government, Soviets To Establish Trade Body *[YONHAP]* 36
Soviet Delegation To Arrive in Late Oct *[YONHAP]* 36
Former Soviet Coach To Train Olympic Boxers *[YOHHAP]* 37
Vietnamese Trade Mission To Visit Seoul *[YONHAP]* 37
Canadian Foreign Minister Due for Visit *[YONHAP]* 37
Pak Chol-on To Attend Asian Games in Beijing *[YONHAP]* 37
Athletes Arrive for Asian Games *[YONHAP]* 37
Church Official Meets China's Wu Xueqian *[YONHAP]* 38
Romania Signs Shipping Cooperation Agreement *[THE KOREA TIMES 18 Sep]* 38
Part-Korean Consortium Hits Oil in Ecuador *[YONHAP]* 38
Paper Says Economy on 'Edge of a Deep Abyss' *[THE KOREA TIMES 18 Sep]* 38
Government, DLP Finish 1991 Budget Proposal *[YONHAP]* 39
Immediate Cement Import Increase Directed by No *[THE KOREA TIMES 16 Sep]* 40
Mun Ik-hwan Visit to Hospitalized Mother Noted *[YONHAP]* 40

SOUTHEAST ASIA

Burma

Tear Gas Used To Break Up Mandalay Protest *[Rangoon Radio]* 41
Rangoon Radio Notes Surrenders of Insurgents 41
1-19 Aug 41
23-31 Aug 41

Brunei, Malaysia & Singapore

Malaysia

Radio Appeals for Food To Reach Jordan, Kuwait *[Kuala Lumpur International]* 42
Minister Says China Travel Restriction Lifted *[Kuala Lumpur TV]* 42
Economic Cooperation Pact Signed With Nigeria *[Kuala Lumpur TV]* 42
Finance Minister Discusses Economic Growth *[BERNAMA]* 43

Singapore

Paper Views Future Peace Prospects for Cambodia *[THE STRAITS TIMES 12 Sep]* 43

Cambodia

AFP Reports 'Sporadic Fighting' as SNC Meets 43
Siem Reap Fighting in Week to 3 Sep Reported *[SPK]* 44
Bou Thang Tours Stung Treng, Distributes Goods *[SPK]* 44
Chea Sim Addresses Trade Union Conference *[Phnom Penh Radio]* 44
VONADK Urges Convening of Paris Conference 45
VODK Welcomes 'Five Documents' of UNSC 45
VODK: Cambodians Want War To End 'Quickly' 45
VONADK Broadcasts Slogans Welcoming SNC 45
VODK Expands Political Slogans on Human Rights 46
Enemy Troops, Administrators Urged To Flee *[Radio VONADK]* 46
Regiment Commander Claimed Killed in Ambush *[Radio VONADK]* 47
Khmer Rouge Allow Thais To Mine Pailin Gems *[Bangkok THE NATION 12 Sep]* 47

Indonesia

AFP Says Dissident Leader Dharsono Released 47
Minister Says OPEC Unity 'Remains Strong' *[ANTARA]* 48
Alatas Seeks To Calm 'Uproar' Over Lee Remark *[AFP]* 48

Laos

Foreign Ministry Statement on Jakarta Talks *[Vientiane Radio]* 48
Economic Relations Minister Reviews Foreign Aid *[KPL]* 48
Phoumi Vongvichit Receives Korean Youth Group *[KPL]* 49
International Youth Conference Opens 13 Sep *[Vientiane Radio]* 49
Nouhak Phoumsavan Congratulates MPR Leader *[KPL]* 49
Sali Vongkhamsao Meets FAO Official on Aid *[KPL]* 49
Feature Views Development of Mountainous Region *[Vientiane Radio]* 50

Philippines

Upcoming Meeting on U.S. Bases Previewed *[THE MANILA CHRONICLE 17 Sep]* 50
Meeting Opens To Discuss Future of U.S. Bases 51
Three Options Approved *[Manila Radio]* 51
Maceda Outlines His Proposal *[Manila Radio]* 52
Armitage Arrives for Talks *[Manila Radio]* 52
Central Bank To Be Talks Venue *[Manila Radio]* 52
Aquino Gives Statement *[Quezon City Radio]* 53
Manglapus Speaks on Talks *[Quezon City Radio]* 53
VOA Tower Bombed *[AFP]* 54
Demonstrations Being Held *[Manila Radio]* 54
Clark Air Base Gate 'Rushed' *[AFP]* 55
Students Continue Rallies *[Quezon City Radio]* 55
Conversion Plan Details Noted *[THE MANILA CHRONICLE 18 Sep]* 55
Agreement Reached on Withdrawal *[AFP]* 56

Explosion in San Juan Security Bank Detailed *[Manila Radio]* 57
Aquino Addresses LDP Conference 15 Sep *[Quezon City Radio]* 57
Aquino Speaks on Rejecting Offer To Lead LDP *[Manila Radio]* 59
Sison Predicts Aquino's Fall in Four Months *[MALAYA 17 Sep]* 59
Ramos, Drilon View Peace Plan as 'Sincere' *[Quezon City Radio]* 61
Communist Hit Squad Rejects Cease-Fire Proposal *[Manila Radio]* 61
Cease-Fire Not Response to Communists' Call *[Manila Radio]* 61
Malacanang Open to Talks With Rebel Soldiers *[Manila Radio]* 62
CPP Founder Jose Sison on Peace Talks, Land *[Manila Radio]* 62
Aquino Speaks on Peace Talks With Rebels *[Manila Radio]* 63
Biazon Urges Not Imposing Terms for Peace Talks *[THE MANILA CHRONICLE 18 Sep]* 63
NDF Presents 'Possible Political Scenarios' *[MALAYA 17 Sep]* 64
Editorial on 'Diplomatic Solution' to Gulf Crisis *[MANILA BULLETIN 17 Sep]* 64
NDF Supports Call for Oil Price Freeze *[PHILIPPINE DAILY INQUIRER 17 Sep]* 64

Thailand

Chatchai Receives PRC Supervision Vice Minister *[Bangkok TV]* 65
Government Finds Jobs for Mideast Returnees *[Radio VOFA]* 65
Papers View Oil, Energy Conservation Measures *[SIAM RAT 13 Sep, etc]* 65
Editorial Predicts 'Further' Oil Price Hikes *[THE NATION 13 Sep]* 65
Chawalit Discusses Chances of Party's Success *[THE NATION 15 Sep]* 66
Minister Orders Plans for New Antidrug Bureau *[BANGKOK POST 13 Sep]* 67
NAEO NA Management To Launch New Daily *[THE NATION 15 Sep]* 67

Vietnam

Nguyen Van Linh, Jiang Zemin Meet in Guangxi *[KYODO]* 67
VNA Reports Le Mai's Activities in New York 68
Le Quang Dao Meets Laos' Nouhak Phoumsavan *[VNA]* 68
Meets President Souphanouvong *[VNA]* 68
Vo Chi Cong Receives Departing GDR, UK Envoys *[VNA]* 68
Do Muoi Meets Departing UK Envoy *[VNA]* 69
New Tanzanian Envoy Pays Courtesy Calls *[VNA]* 69
Vo Chi Cong Greets Chamorro on Independence Day *[VNA]* 69
Functions in USSR Mark Vietnamese Natonal Day *[VNA]* 69
VNA Lists Additional National Day Greetings 69
Party Greets Swedish Social Democratic Party *[VNA]* 69
'Most' SRV Workers in GDR Want To Return *[Hanoi Radio]* 70
Decision on Reorganizing Production, Business *[Hanoi Radio]* 70
Committee Assesses Quality of Party Members *[Hanoi Radio]* 70
QUAN DOI NHAN DAN on Theories of Renovation *[Hanoi Radio]* 70
Dong Sy Nguyen Inspects Typhoon Damage *[Hanoi Radio]* 72
Ho Chi Minh City Gas Rationed; Prices 'Soar' *[AFP]* 73
Joint Soviet-SRV Firm Discovers Oil Deposit *[Hanoi Radio]* 73
Highway to PRC Border Friendship Gate Repaired *[VNA]* 73
State Council Marks VNA Founding Anniversary *[VNA]* 73

AUSTRALASIA

Australia

Hawke 'Would Welcome' Japanese Military Role *[KYODO]* 74
Effect of Kashmir Conflict on Jet Sales Noted *[AFP]* 74
MP Outlines Plot To Assassinate Hawke in 1988 *[AFP]* 74

Papua New Guinea

PRC Ties Strained Over Taiwan Minister's Visit *[AFP]* 75
Country Expected To Be Oil Exporter by 1992 *[AFP]* 75

Reportage on Olympic Committee's 96th Session

PRC Official Arrives

OW1009141190 Tokyo KYODO in English 1225 GMT 10 Sep 90

[Text] Tokyo, Sept. 10 KYODO—He Zhenliang, president of the Chinese Olympic Committee, arrived in Tokyo Monday afternoon to attend the International Olympic Committee's (IOC) 96th session starting on Sunday.

He, vice president of the IOC, arrived on the same flight from Beijing with Shaykh Ahmad Fahad al-Sabah of Kuwait, and Abdul Muttaleb Ahmad [name as received], deputy secretary general of the Olympic Council of Asia (OCA), also from Kuwait.

Ahmad is the eldest son of the late OCA president, Shaykh Fahad. He and Muttaleb do not have rights to attend the IOC meeting. Ahmad said the purpose of his visit is to monitor the meeting in Japan in relation to the Gulf issue. He added he would like to speak at the meeting if there is a chance.

The IOC's 96th session will be held September 16-20, after an executive board meeting starting this Thursday.

IOC Supports Kuwait

OW1309144090 Tokyo KYODO in English 1251 GMT 13 Sep 90

[Text] Tokyo, Sept. 13 KYODO—The International Olympic Committee (IOC) expressed support for the Kuwait Olympic Committee Thursday at its Executive Board meeting Thursday, the IOC's Director of Information Michele Verdier said. "The Executive Board of the IOC discussed the events which are taking place in the Persian Gulf area inasmuch as they may be affecting the Olympic movement," Verdier said. She said the board "expressed its support for the Kuwait Olympic Committee and for all Kuwaiti athletes," and hoped that "they will soon be able to resume all their activities under normal circumstances in their country."

The board "expressed its confidence in the Olympic Council of Asia (OCA) ... to take the most appropriate measures ... for the success of the Asian Games in Beijing," Verdier said. She did not elaborate on "appropriate measures."

The OCA is expected to convene a special general session next Thursday to discuss whether or not Iraq should be banned from the Asian Games opening in Beijing on September 22.

The IOC Executive Board paid tribute to the late IOC member and the OCA president, Shaykh Fahd, saying he "had devoted his life to the development of sport in his country and throughout Asia." Shaykh Ahmad, son of Shaykh Fahd and president of the Kuwait Olympic Committee, thanked the Executive Board for the tribute and said, "The IOC has recognized the Kuwait Olympic Committee and we are grateful for that."

He Zhenliang, the IOC vice president and head of the Chinese Olympic Committee, said he will follow the OCA rules. Asked if the success of the Beijing Asian Games means participation by all 38 OCA members, he said "it's a difficult problem and it depends."

Referring to the return of South Africa to the Olympics, Verdier quoted the board as saying, "The time has come ... to open the door if significant changes take place." "We have to get ready for when it (apartheid) has been eradicated," Verdier said. Verdier, however, said, "It is not time to alleviate sanctions" yet.

The IOC started its four-day board meeting Thursday afternoon to be followed by its 96th session or annual general assembly starting Sunday.

JOC Respects Pro-Kuwait Stance

OW1809080990 Tokyo KYODO in English 0711 GMT 18 Sep 90

[Text] Tokyo, Sept. 18 KYODO—The Japanese Olympic Committee (JOC) decided Tuesday to respect the pro-Kuwait stance recently expressed by the International Olympic Committee (IOC) and the Association of Summer Olympic International Sports Federations (ASOIF). The JOC reached the decision at the day's extraordinary executive board session convened to work out its stance in Thursday's Olympic Council of Asia (OCA) special session, at which "the fate" of Iraq's Asiad participation will be discussed. While the JOC did not specifically mention the name of Iraq, it added that the JOC will tackle the (Iraq) issue in close consultation with other OCA member nations at Thursday's meeting.

On Thursday, the IOC expressed clear support for the Kuwait National Olympic Committee, adding it hopes that its athletes will soon be able to resume all their activities. The ASOIF echoed the IOC's stance Sunday.

JOC President Hironoshin Furuhashi said, "We have reached the decision after closely studying the stance of the IOC and ASOIF. While the current situation is still in a state of flux, we at the JOC will be quite clear about our vote if the matter is put to a vote at the meeting."

The JOC also decided to dispatch board members, Muneyoshi Ueda and Yoshio Kuroda, to the OCA meeting in Beijing.

Saudi Prince Discusses Iraq

OW1409143690 Tokyo KYODO in English 1357 GMT 14 Sep 90

[Text] Tokyo, Sept. 14 KYODO—Prince Faysal of Saudi Arabia arrived in Tokyo Friday night to attend the 96th session of the International Olympic Committee (IOC) which starts on Sunday. Referring to Iraq's participation in the Beijing Asian Games, Faysal said "I can't imagine an Iraqi delegation walking into Beijing Stadium, while they're killing people every hour" in Kuwait, adding it would be "a shame" if they did so.

The IOC's five-day annual meeting gets under way here Sunday.

First SNC Talks Held 17 Sep, Reconvene 18 Sep

BK1709123890 Hong Kong AFP in English 1223 GMT 17 Sep 90

[Text] Bangkok, Sept 17 (AFP)—The warring Cambodian factions held their first talks as a unified interim authority here Monday. Participants said the meeting of the Supreme National Council (SNC) would reconvene Tuesday. The outcome of the intensive negotiations was not immediately known. The talks lasted for more than four hours.

The 12 SNC delegates of the four factions were seen leaving the Cambodian Embassy here in a bus used by Thai officials to avoid showing preference to any particular faction while shuttling them around the capital.

The SNC was formulated by the five permanent members of the U.N. Security Council—Britain, China, France, the Soviet Union and the United States—and is to preside over a comprehensive settlement to Cambodia's 12-year war.

During the talks, the delegates—six from the Phnom Penh government and six from the tripartite resistance coalition—gathered in a conference room before breaking up into four groups in separate rooms. Then the resistance—the Marxist Khmer Rouge and the two non-communist parties of Prince Norodom Sihanouk and former premier Son Sann—gathered in one room while the Phnom Penh officials continued their own consultations.

Shortly before entering the embassy, Phnom Penh Prime Minister Hun Sen and Khmer Rouge leader Khieu Samphan made conciliatory statements on a simmering dispute over the chairmanship of the SNC.

Mr. Hun Sen said the delegates should be able to decide on other issues, including a voluntary cease-fire and an end to outside military aid to the warring factions. The Soviet Union arms Phnom Penh while China supplies the Khmer Rouge, the military backbone of the resistance.

SPK Reports Session

BK1809052890 Phnom Penh SPK in French 0435 GMT 18 Sep 90

[Text] Phnom Penh, 18 Sep (SPK)—The first session of the Supreme National Council (SNC) was opened on Monday afternoon in the premises of the former Cambodian Embassy in Bangkok with the participation of all its 12 members, said our correspondent in a dispatch from the Thai capital.

In the compound of the Cambodian Embassy itself, Kasem S. Kasemsi, permanent secretary of the Thai Ministry of Foreign Affairs, welcomed the participants. It should be noted that the repair work at the embassy was diligently handled by Thailand within only three days.

At the opening session which was chaired by Chau Sen Kosal (of the Sihanouk faction), SNC members examined problems related to the chairmanship of the SNC and the dispatch of a representation of Cambodia's SNC to the forthcoming UN General Assembly session.

In the evening, Thai Prime Minister Chatchai Chunhawan hosted a banquet in honor of the participants.

The SNC resumes its work today.

No Agreement Reached 17 Sep

BK1809010590 Bangkok THE NATION in English 18 Sep 90 pp 1, 2

[By Atthawibun Sisuworanan and Kunlachada Chaiphiphat]

[Text] Despite earlier optimism, the first meeting of Cambodia's interim ruling council failed yesterday to reach two crucial agreements on the question of its leadership and the composition of a Cambodian UN delegation. The 12-member interim authority, officially known as the Supreme National Council, agreed to adjourn and continue their talks this afternoon.

Prince Norodom Ranariddh, leader of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] resistance faction, was apparently not satisfied with the outcome of the meeting, and failed to show up at a function last night hosted by Prime Minister Chatchai Chunhawan. Ranariddh, son of resistance leader Prince Norodom Sihanouk, also threatened to boycott today's session, which prompted a flurry of activity among officials late into the night to try to bridge the gap between the Cambodian parties.

There were hopes that the first meeting of the Council, made up of six delegates each from the resistance and the Phnom Penh government, would appoint a Cambodian delegation to the UN General Assembly, which is scheduled to convene today in New York. The Council was formed last week in Jakarta to represent Cambodia's sovereignty, under a framework sketched out by the five permanent members of the UN Security Council.

Phnom Penh Prime Minister Hun Sen and the other resistance leaders—the Khmer Rouge's Khieu Samphan and Son Sann of the Khmer People's National Liberation Front—told reporters after emerging from the three-and-a-half-hour talks that differences still remained to be worked out when the session resumed this afternoon. They declined to elaborate.

Prime Minister Chatchai Chunhawan said last night, after hosting a dinner to welcome the Cambodian leaders, that the talks had not resolved whether the Council's leader would hold one of the 12 seats or be the thirteenth member. Both sides have essentially agreed that Sihanouk should head the council but Phnom Penh wants him to hold one of the resistance's six seats.

But Chatchai expressed optimism that the negotiators would reach an agreement today. "The Cambodians told me that everything would be settled, and I believe that they can send their delegation in time for the UN meeting (because Bangkok time is 11 hours ahead of New York)," he said. "If they cannot agree, then who can help them then?" Chatchai asked, but added that if the Council failed to reach an agreement today, the talks would continue.

Informed sources said the meeting broke up three times when the resistance took time to consult among themselves, while Hun Sen and his party sought the opinions of Thai Foreign Ministry officials, who were in a separate room.

Both sides later came up with a proposal on the chairmanship of the Council. The resistance proposed Prince Sihanouk as the Council's 13th member and chairman, and Hun Sen as the head of the Cambodia delegation to the UN, while Hun Sen proposed having the prince be part of the 12-member Council and Chau Sen Kosal Chhum, who served as president of the National Assembly under Sihanouk, as chief of the UN delegation.

To move the meeting on, Hun Sen suggested that the unsettled issue of the chairmanship be bypassed and talks continue on the UN delegation, but the resistance strongly objected, the source said. They said yesterday's impasse over Prince Sihanouk's chairmanship upset Ranariddh so much that he finally decided not to attend Premier Chatchai's party at Government House.

Envoys from ASEAN countries, Australia, Britain, Canada, China, France, India, Japan, Laos, the Soviet Union, the United States and Vietnam were invited to attend the dinner last night, which was initially planned to celebrate an expected agreement at yesterday's forum.

Ranariddh's seeming decision to skip the meeting today forced Thai organizers to lobby to save the meeting from total collapse. Foreign Ministry Permanent Secretary Kasemsamoson S. Kasemsi took time off from the dinner last night to consult with the Chinese and Vietnamese ambassadors, according to the sources. Ranarridh's stance prompted the Chinese envoy to leave the party in the hope of lobbying Ranarridh and Sihanouk, who is in Beijing, and saving today's talks, the sources said. They added that Ranarridh's stance also irritated the Permanent Five countries, whose envoys then reported the result and development of yesterday's talks to their governments.

A diplomat from a Permanent Five country said the Cambodians should not get stuck on such a trivial issue. "The nomination of the Cambodian delegation is more urgent than the question of the chairmanship, which could be discussed in later sessions," said the source, who expressed hope that Thailand would eventually be able to save the talks.

Diplomatic sources said the two topics were the most crucial issues and if they were passed then the issues of a voluntary ceasefire and a moratorium on outside military aid were "ready at hand". The sources said the meeting today was expected to issue a joint statement which would also address the ceasefire and arms moratorium.

Hun Sen Comments

BK1709145090 Hong Kong AFP in English 1423 GMT 17 Sep 90

[Excerpts] Bangkok, Sept 17 (AFP)—A meeting of Cambodia's newly formed interim authority, the Supreme National Council (SNC), adjourned inconclusively here Monday and was to continue Tuesday, participants said. Cambodian Prime Minister Hun Sen said: "Nothing has been settled. We're continuing tomorrow." Monday was the council's first meeting since it was created in Jakarta one week ago.

Other participants also said problems remained, but would not elaborate to reporters who mobbed them as they left the disused Cambodian Embassy here to attend a dinner hosted by Thai Prime Minister Chatchai Chunhawan.

But analysts said that the question of the chairmanship of the SNC and the inclusion of resistance leader Prince Norodom Sihanouk in the peace process would be the main sticking points at the talks here. [passage omitted]

Before Monday's meeting, both Mr. Hun Sen and Khieu Samphan, the nominal leader of the Marxist Khmer Rouge, had appeared conciliatory in separate statements. [passage omitted] "I think the issue is going to be settled, on the basis of the Jakarta accord," Mr. Khieu Samphan said. The Khmer Rouge leader also predicted that there should be "no problem" on the question of sending a delegation to the United Nations. [passage omitted]

Mr. Hun Sen repeated his earlier proposal to appoint as interim SNC Chairman Chau Sen Cocsal, an 85-year-old former national assembly president who already holds one of the 12 seats as a representative of Prince Sihanouk's faction. "This could be one way to achieve a breakthrough," he said.

The other issues be discussed are a voluntary cease-fire of the four warring factions and a cessation of military aid from their backers, mainly the Soviet Union and China. [passage omitted]

Chatchai Discusses Meeting

BK1809005990 Bangkok BANGKOK POST in English 18 Sep 90 pp 1, 3

[Text] Thailand last night continued lobbying among the rival Cambodian factions to reach an agreement on the chairman of the National Supreme Council after the inaugural meeting yesterday ended inconclusively. The talks are scheduled to continue today.

The resistance demanded compliance to the Jakarta joint communique which formed the SNC [Supreme National Council] last week and stated that Prince Sihanouk, if elected as chairman, must become the 13th member of the SNC. Phnom Penh meanwhile held out against the additional seat, saying that if Sihanouk is to become a member, he must be counted among the 12.

According to the Jakarta agreement, "if the 12 members of the SNC so desire, they could elect a Chairman for the SNC, who would, in such case, be the 13th member of the SNC." The two sides apparently held on to their own interpretation of the communique.

Prior to the afternoon session at the Cambodian Embassy which was freshly refurbished to mark the symbolic gathering, the 12 SNC members held a working lunch and preparatory meetings at the Oriental Hotel. The 12 members were taken in one air-conditioned coach and talks began in the afternoon. The meeting broke off after over four hours, with the Cambodians saying that they would continue negotiations today.

In the course of the session at the Cambodian Embassy, the plenary session adjourned every once in a while, with the Thai side shuttling between the resistance and Phnom Penh delegates in an attempt to mediate their different positions.

A team of Foreign Ministry officials, led by Permanent Secretary M.R. Kasemsamoson S. Kasemsi, and two Prime Minister's advisers Kraisak Chunhawan and Phansak Winyarat took turns conferring with the Cambodians as they broke each plenary round.

Prime Minister Chatchai Chunhawan went ahead with the planned party at Government House, originally meant to celebrate success. Also invited to the banquet were ambassadors from the United States, Soviet Union, China, Britain and France, the five permanent members of the UN Security Council.

The inconclusiveness of yesterday's talks among the Cambodians prompted a last-minute change of speech which Gen [General] Chatchai was to deliver at the party.

Phnom Penh Prime Minister Hun Sen, speaking on arrival yesterday morning, insisted that Sihanouk, if he is to chair the SNC, must be among the dozen. "What's important is that we should not allow (disagreement) on one issue to block solution of other issues. We should reach a consensus on other issues," he said. He added that the priority of the meeting should be to appoint a Cambodian delegation to the UN General Assembly.

Khmer Rouge leader Khieu Samphan said after the working lunch that the prospect for the inaugural session was good, especially on the issue of the chairmanship as he received "indications that the other side has softened its stance."

The Khmer Rouge and two other non-communist resistance groups demanded that Sihanouk must chair, and therefore become 13th member of the SNC if the body is to be truly functional because Sihanouk is the only personality acceptable among the Cambodians and the international community.

At the dinner party, Gen Chatchai delivered a speech urging the Cambodian representatives to adhere to the objective of achieving peace in Cambodia.

"... The road to peace in Cambodia has been a long and difficult one. It has taken you from Jakarta, where it all began, then to Paris and to Tokyo. And now in Bangkok, on a piece of Cambodian territory, you have gathered to discuss the key critical issues that stand in the way of peace in Cambodia. Tomorrow you will continue your discussion. I wish you success," the Prime Minister said in part of his speech.

Speaking to reporters after the dinner party, Gen Chatchai said he hoped the four Cambodian factions would be able to reach an agreement on the two major issues in today's meeting of the SNC. Asked if Thailand would be able to help bring about success in the first SNC meeting, Gen Chatchai said: "The meeting is an affair of the Khmer factions; we have nothing to do with it. Tomorrow (today) the United Nations will begin its General Assembly, we only hope that there will be a Cambodian delegation to the UN."

The Prime Minister said during the dinner he told the Cambodian representatives that it is only they who are to overcome their own problem at this crucial moment. Gen Chatchai was optimistic that the Cambodians would resort to compromise.

Sihanouk Faction Denies Boycott

BK1809045290 Hong Kong AFP in English 0440 GMT 18 Sep 90

[Text] Bangkok, Sept 18 (AFP)—A representative of Prince Norodom Sihanouk's faction said Tuesday he would not participate further in Cambodian peace talks here but denied that the move was a boycott of the discussions. Prince Norodom Ranariddh, representing his father, said he was leaving later Tuesday for Paris but this was "neither boycotting nor setting up any obstacles" to a meeting of a newly-formed joint interim authority grouping the four Cambodian factions.

The first meeting of the Supreme National Council (SNC), agreed on last week in Jakarta within the framework of a United Nations sponsored peace plan, ended here Monday inconclusively. The factions were to resume later Tuesday their discussions which stalled on the issue of the SNC chairmanship and the role of Prince Sihanouk, the nominal leader of a guerrilla coalition. The prince, Cambodia's former monarch, also heads one of the two non-communist factions allied to the powerful Chinese-backed Khmer Rouge.

Prince Ranariddh, a representative of his father's group on the SNC, failed to turn up at a dinner hosted here Monday for SNC members by Thai Prime Minister

a broad military mass organization, can have its life as the revolutionary army and the army of the people only under the leadership of the party and the leader.

The party's leadership is as precious as life to the revolutionary army. The history of the long revolutionary struggle of the working class and the proud history of our People's Army show that the genuine path for development of the revolutionary armed forces lies only in loyally upholding the party's leadership.

Cherishing this idea as an absolute truth, our People's Army will fulfill the revolutionary mission in the future, too, as the army of the leader, the army of the party, and the army of the people.

Another important idea set forth in the great leader's work is the idea of strengthening the political work within the People's Army. The might of the revolutionary army lies in the consciousness of the soldier masses, and their consciousness is to be demonstrated through political work.

When the political work is strengthened within the army, the political and ideological superiority of the revolutionary army can be displayed and its might can be firmly consolidated.

In his work, the great leader taught that properly carrying out the political work and working with officers and soldiers is a guideline of our party's work within the army. The great leader taught that the political work system, which assumes persuasion and indoctrination as its main line, should be established within the People's Army and that priority should be given to the work of inspiring the voluntary zeal of soldier masses above all other work.

Today loyalty to safeguard the party and the leader by dedicating one's life is overflowing within our People's Army, voluntary discipline is established and the fine custom of unity between soldiers and civilians and unity between officers and men is being endlessly displayed. This is closely linked with the fact that the role of political organs within the People's Army has been enhanced and political work has been strengthened.

Clearly bearing in mind that strengthening of the party's political work is of great significance in building the revolutionary armed forces, we will firmly organize political organs and political functionaries within the army, and will further enhance their role.

For over the last 30 years since the great leader's work was made public, the justness and vitality of the leader's chuche-oriented idea of building the army have been vigorously demonstrated. The vitality of the great leader's work is that the party's leadership system has been firmly established throughout the entire army. Thoroughly establishing the party's leadership system within the entire army is a basic requirement of the People's Army in fulfilling its revolutionary mission as the army of the party and the leader.

The party's leadership over the army is to be realized through the revolutionary work system and in this, party organs within the army play an important role.

As taught by the great leader, party organs within the People's Army are not merely consultative organs but are military and political guidance organs. Only when party organs are firmly organized within the People's Army and their role is enhanced, can the chuche idea—our party's revolutionary idea—flow over the entire army and can the entire army be firmly rallied behind the party and the leader.

What is important in establishing the party's leadership system within the People's Army is making the entire army overflow with loyalty to the party and to the leader. Thanks to the trust and leadership of the party and the leader, our People's Army officers and men are glorifying the honor as proud members of the revolutionary armed forces. It is a lofty demand in their life to safeguard the leader politically and ideologically and with their lives by cherishing boundless loyalty to the party and to the leader.

Today our People's Army is filled with loyalty to uphold its leader with revolutionary faith and principle, like the young communists of the twenties, and with revolutionary will to reliably safeguard the party's cause in firm unity with the great party and the leader.

"Let us fight by dedicating our lives to the great leader and dear Comrade Kim Chong-il!" This is a slogan of faith of our People's Army today.

No strength can be a match for indomitable might of our People's Army which is defending the fatherland and the revolution in firm unity with the party and the leader.

The vitality of the great leader's work is such that the entire army is filled with the revolutionary spirit to tenaciously safeguard and accomplish the chuche idea. In his work, the great leader taught that chuche should be firmly established within the People's Army and ideological indoctrination work should be strengthened so that all soldiers maintain the revolutionary principles of the working class. His teaching is a programmatic guideline enabling the People's Army to maintain its revolutionary nature and to vigorously accelerate the building of the army along the road indicated by the chuche idea.

Today the entire army is dominated by the firm faith that it knows no other ideas but the chuche idea.

For our People's Army officers and men, the chuche idea—the party's revolutionary idea—is a guideline for their thinking and action, and the plans and intentions of the party and the leader have become their will.

The entire army has been turned into a body of ideological purity based on the chuche idea amid the march for modelling the entire army on the chuche idea. This is the greatest success attained in the course of building the army in the past.

The chuche faith overflowing in our People's Army has become a firm guarantee for crushing the imperialists' antirevolutionary offensive. Our People's Army heightened its revolutionary vigilance against the antisocialist maneuvers frantically waged by the imperialists today. It is filled with resolute determination to tenaciously defend and protect the socialist fatherland, not wavering under the U.S. imperialists' peace overture [pyonghwajok ihaeng chollyak].

In particular, political organs at all levels within the People's Army strengthened political and ideological indoctrination for the People's Army soldiers since the enemy's war maneuvers were strengthened. Thus, they will firmly and militarily ensure that the man-centered socialism in our country can more highly demonstrate its superiority.

In his work, the great leader stressed the need to oppose bourgeois pacifism within the army and taught that one should establish correct outlook on war and peace. The imperialists are, in essence, aggressive. As long as there are imperialists, the source of aggression and war will constantly remain.

As shown in history and in reality, it is the innate nature of the imperialists to invade the other people without fail if they are regarded as weak.

Today our country is carrying out revolution and construction under conditions in which the fatherland is divided and we are in direct confrontation with the U.S. imperialists. Under these conditions, the relaxation of vigilance, even a slight degree, should not be allowed to take place within the People's Army which is charged with the mission of defending the fatherland.

Our People's Army should firmly establish a chuche-oriented outlook on war and peace and strengthen military and political training. Thus, it will resolutely smash the U.S. imperialists' war provocation maneuvers by firmly consolidating its might.

The vitality of the great leader's work is that the militant function and role of the party organs within the People's Army have been further enhanced.

The great leader taught that the party organs within the People's Army are the supreme guiding organs within the army and their leadership should be a collective leadership. Upholding the great leader's teachings, party organs at all levels within the People's Army normalized the operation of party committees and enhanced the role of the committee members. Thus, they further increased the combat capabilities of the party organs.

As the result, the role of party members as a vanguard within the People's Army has been strengthened and organizations of the League of Socialist Working Youth of Korea are commanding the young soldier masses, overflowing with vigor, under the guidance of party organs.

Party organs at all levels effected a turning point in firmly fostering the People's Army soldiers to be true chuche-type communists by strengthening political work among the People's army soldiers and focusing their efforts on persuasion and indoctrination. In particular, they attained great success in accelerating the chuche-orientation of the entire army by upholding the party's policy for mass movement and by vigorously waging the movement to win the red banner of the three revolutions.

Today our People's Army is prepared politically, ideologically, militarily, and technologically more firmly than ever before. Because we consolidated the combat capabilities of the People's Army, we could check the U.S. imperialists' repeated military provocations and defend the fatherland.

Although the People's Army was charged with the important mission of defending the nation, it directed enormous armed forces to socialist construction and greatly contributed to building the great monumental creations of the era of the Workers' Party.

Our People's Army soldiers have built numerous monumental creations including the Pyongyang-Wonsan expressway and the Sohae lockgate and dedicated their sweat and their efforts to socialist construction. They are very proud of this.

All of the People's Army officers and men should uphold and thoroughly implement our party's chuche-oriented idea and policy for building the army. Thus, they will more firmly and militarily guarantee the chuche revolutionary cause led by the great leader and dear Comrade Kim Chong-il and will reliably defend the socialist gains and security of the fatherland.

Kim Il-song Receives Chuche Delegation

SK1709105390 Pyongyang KCNA in English 1018 GMT 17 Sep 90

[Text] Pyongyang September 17 (KCNA)—The great leader President Kim Il-song today received the delegation of the International Institute of the Chuche Idea headed by its director general Suhachi Inoue, on a visit to Korea.

Present on the occasion was Hwang Chang-yop.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

They presented a gift to him.

He arranged a luncheon for them.

Kim Chong-il Receives Gift

SK1709105790 Pyongyang KCNA in English 1021 GMT 17 Sep 90

[Text] Pyongyang September 17 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift

by the delegation of the International Institute of the Chuche Idea on a visit to Korea.

The gift was handed to an official concerned by head of the delegation Shuhachi Inoue, director general of the Institute.

National Financial, Bank Clerk Meeting Closes

SK1409110890 Pyongyang KCNA in English 1020 GMT 14 Sep 90

[Text] Pyongyang September 14 (KCNA)—The two-day national meeting of financial and bank clerks closed today, successfully concluding its work.

Speeches were made at the meeting.

The speakers stressed that "On Improving the Financial and Banking Business," a letter of dear comrade Kim Chong-il addressed to the participants in the meeting, is an immortal encyclopaedia giving an overall consummation and systematization of the socialist financial theory and a highly important work clearly indicating tasks facing the financial and banking business and ways to carry them out.

Proudly recalling the course of shining victory covered by the financial and banking business under the wise guidance of the great leader President Kim Il-song and our party, they elaborated on the need to effect a new change in this domain and provide a sure financial guarantee for the fulfilment of the third seven-year plan.

They laid stress on making a rational utilization of such economic levers as the production cost, price and profits at industrial establishments to manage the nation's economic life assiduously and methodically.

They pointed to the necessity of properly enforcing the cost accounting system in all factories and enterprises and thus giving full play to the revolutionary enthusiasm of the producer masses and put the industrial management on a more scientific and rational basis and making strenuous efforts for increased production and economy.

They emphasized that the functionaries in the domain of finance and banking and economic executives should acquire a high sense of revolutionary spirit, party spirit, working-class spirit and serve-the-people spirit and display the revolutionary spirit of self-reliance and hard struggle with the firm faith that when our party is determined we can do anything and, thus, resolve all problems arising in the implementation of the party's financial and banking policy in a revolutionary, militant manner.

A letter of pledge was adopted at the meeting.

Kang Song-san Attends Chongjin Workers Rally

SK1809090090 Pyongyang Domestic Service in Korean 2100 GMT 16 Sep 90

[Excerpt] [passage omitted] While the whole province is fervently seething with lofty revolutionary enthusiasm and militant spirit, just before the 45th anniversary of the foundation of the party, a rally of the workers of Chongjin City was held on 16 September at the Chongjin Stadium to thoroughly implement the programmatic teachings of the North Hamgyong Province on-the-spot guidance by the great leader Comrade Kim Il-song which was carried out in August and September 1990 and the militant task recently ordered by the party to the province.

Comrade Kang Song-san, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, responsible secretary of the party of the North Hamgyong Province, and chairman of the People's Committee of the North Hamgyong Province; local government and party organizations; administrative and economic organizations; and responsible functionaries of mass organizations participated in the rally with 50,000 workers of the city. [passage omitted]

Remains of Ancient Koguryo Dynasty Unearthed

SK1709111190 Pyongyang KCNA in English 1013 GMT 17 Sep 90

[Text] Pyongyang September 17 (KCNA)—Korean historians and archaeologists recently unearthed remains of Nampyongyang dating back to the Koguryo Dynasty.

The remains unearthed in the area around Mt. Changsu in South Hwanghae Province swing a circle with a radius of four kilometres from the seat of Ayang-ri, Sinwon County.

Judging from the size of the remains, scholars estimate the then population in the central area of the city at tens of thousands.

Many terracotta tiles, greyish blue tiles and convex tiles for the edge of eaves, typical of the Koguryo Dynasty, were found in the newly discovered remains.

Those tiles from a building site are similar to those of the citadel of Mt. Taesong in Pyongyang and, notably, a brick engraved with letters denoting the year 313 was unearthed near the site of the royal palace. From this, scholars conclude that this place was the secondary capital of the Koguryo Dynasty in the 4th century.

A long earthern wall extending about 2 kilometres in all directions was discovered on the field about 1.7 kilometres South of Mt. Changsu.

Sites of many houses, three wells, six blacksmith's shops, four ponds beside an architecture site believed to be the site of a temporary palace of the king and other remains of the Koguryo Dynasty have been unearthed inside the city wall.

Found there also are a ground built up high which is considered to be the site of an old royal palace, a jade seal, iron fire-hole mantelpieces and iron ploughs.

Meanwhile, scholars newly proved that the Anak No.3 tomb belongs to King Kogukwon of the Koguryo Dynasty.

South Korea

Possible Changes in DPRK Policy Viewed

SK1409080590 Seoul SINDONG-A in Korean Sep 90 pp 272-277

[Article by Kang Kwang-sik: Is Pyongyang's Unification Policy Changing?]

[Text] The "mighty earthquake" of openness which swept the Soviet Union and Eastern Europe recently has created the most favorable opportunity ever for change in the North Korean system. Pyongyang's recent reactions, however, have been to form a joint front with Cuba, Vietnam, and China in reacting negatively toward change, even combating it. Domestically, the North actually has strengthened its ideological tuition of the population, and observers draw the strong impression that Pyongyang is trying very hard to maintain the status quo.

Despite this trend, change seems to be inevitable in the North, although the speed and scale thereof may diverge from experience elsewhere. I say North Korea must change because international environmental factors driving change continue to gain momentum, and the pressure from within for change grows more insistent daily. In view of the pressures for change and the regime's reluctance to accept change, experts anticipate that North Korea, like China, will mobilize every possible means to block the pressure for reform of the system "from the bottom." Instead, Pyongyang will attempt to impiement a limited degree of reform "from the top."

For example, among reforms that will not occur, short of an event like a coup d'etat, are a change in the single-party rule of the Communist Party or to the hereditary transfer of power from Kim Il-song to his son. Changes that we may anticipate, on the other hand, include reform that will be characterized by extraordinary flexibility, will occur in the economic sector and be directed at resolving the dissatisfaction of the North Korean citizenry. In other areas, the changes North Korea will pursue "from the top" are likely to be limited to selected, small-scale efforts that do not threaten the integrity of the regime. A gush of demand "from the bottom" for change, however, may oblige Pyongyang to undertake positive reforms needed to satisfy the demands, but these changes are likely to be merely cosmetic "software."

If this is a sketch of the likelihood of general reform in North Korea, what possible changes, then, should we expect in Pyongyang's unification policy and its strategy toward the South? To address this question intelligently, we need to understand Pyongyang's basic position on unification.

As is commonly known, North and South Korea were formed by artificially dividing the Korean Peninsula at the end of World War II, and for many years each has been going all out "to pursue the politics of unification." Thus, changes in the national position on unification, unlike other policy changes, inevitably bring with them alterations in the very nature of the regime itself. The unification issue stamps itself more clearly on the interaction between North and South than any other variable. Moreover, from its very inception the organization of the North Korean regime and its major national objectives have been based on the assumption of the absolute propriety of unification, much more so than in the South, so that it is even more difficult to consider the nature of the North Korean regime apart from the politics of unification.

One witness for this is an explicit passage in the party's official by-laws. "Our objectives," the North Korean party's supra-constitutional by-laws state, "are to guarantee the complete victory of socialism in the northern part of the People's Republic and to execute the twin tasks of national liberation and people's democratic revolution throughout the whole of the country. Our ultimate objective is to forge a communist society." There is no need to emphasize that the words "... to execute the twin tasks of national liberation and people's democratic revolution throughout the whole of the country" provide the North Korean regime with its raison d'etre, to pursue the politics of national unification.

If this is the basic position of North Korea on the unification issue, then it is self-evident that there are significant limitations on the possibility for change. So long as North Korea's framework for reform continues to be to pursue change from the top, selectively, and for the purpose of preserving the system itself, then the basic elements of unification policy and Pyongyang's strategy toward South Korea are areas in which real change will never occur. The only changes we can expect, in fact, are changes in tactical measures undertaken by Pyongyang to block the various elements pressuring for basic reform. Observers expect that these latter changes may well develop with a degree of turbulence.

The Revolutionary Front and the Underpinnings of North Korea's Unification Policy

The North Koreans have reduced the basic directions of their expressed unification policy to the "Three Great Principles," and the "Five Great Policies." Originally, the Three Great Principles consisted of self-reliance, peace, and democracy, but after the 4 July 1972 North-South joint statement was issued, the North officially changed its Three Great Principles to match the "Three Basic Principles for Unification of the Fatherland" which appeared in the joint statement, to which both

sides had subscribed. Since then, the Three Great Principles have been autonomy, peace, and grand solidarity of the entire nation.

The basic outline of the Five Great Policies was enunciated in a speech delivered by Kim Il-song on 23 June 1973. Since then, the key concepts underlying the policies have been repeatedly changed, developing in accord with major developments on the international scene and with domestic North Korean political trends. The five can be summarized as 1) resolve the existing state of military confrontation; 2) collaborate and conduct exchanges in all fields; 3) convene a great national meeting (this term was changed first to all national conference and then to pan-national conference); 3) establish the federated republic of Koryo (later changed to democratic federated republic of Koryo); and 4) both Koreas join the United Nations under a single national name.

Thus, Pyongyang's unification policy seems to be based on establishing a single, federated national entity from which relations between North and South can be conducted peacefully and through which unification can be realized. At first glance, then, North Korean unification policy appears to contain nothing that differs markedly from the basic elements of South Korean unification policy. However, the cautious observer will see that the actual content of the North Korean policies is not that simple. A detailed review of the North Korean unification policies reveals that they are focused inevitably on establishing a united front to realize the basic objectives of the regime.

North Korea's own theory of revolution defines "revolution" as three-fold: the socialist revolution in North Korea, the South Choson Revolution, and world revolution. Under this hypothesis, the socialist revolution in the North and the strengthening of North Korea itself serve the purpose of creating a "base" from which to energize the South Choson revolution. Meanwhile, the pursuit of revolution in both North and South contributes to world revolution itself. Moreover, the North Koreans consider the South Choson revolution to be a regional, or domestic, revolution which must be completed to "consummate the pan-national revolution itself." They define the South Choson revolution as a "revolution of national liberation, a revolution of people's democracy."

The objectives of the South Choson revolution are to expel American imperialism, to overthrow South Korea's anticommunist government, and to establish an "integrated democratic government" modeled on a people's republic. North Korea pursues certain strategies to achieve these objectives. The strategies include, first, creating a revolutionary staff headquarters in the South from which chuche ideology can be inculcated until it grows to be the leading ideology in the South. This, in turn, will lead to the establishment in the South of a "main force army" as well as a union of workers, peasants, youth and students, small-scale national capitalists, intellectuals, and military men into a united front which can be mobilized as an auxiliary or support force. The united weight of these forces will be sufficient to subdue anti-revolutionary forces.

The fatherland unification that North Korea seeks, then, is quite simply a "revolution throughout the whole of Choson." Pyongyang's unification policy and policies related to dialogue with the South are nothing more than strategies designed to create the conditions for revolution. We must recognize that the logic underpinning North Korea's unification policy—the three great principles and the five great policies—are part and parcel of a formula for revolution.

The Course of Change in North Korea's Unification Policy

The logic that drives North Korea's unification policy began with the creation of the North Korean regime itself, with the "Democratic Base Front," which was officially inaugurated on 28 March 1948, and continued with the fratricidal Korean war itself, an event the North Koreans call the "National Liberation War." After the Armistice was declared, North Korea was preoccupied with post-war rehabilitation, and a certain drift characterized its peaceful unification policy. Then in the early 1960s Pyongyang moved away from benign neglect to an active policy demanding unification under a federated entity. In the early 1970s this was supplanted by a unification policy based on the five great policies. Thereafter, the superstructure of the five great policies has remained intact, although their constituent elements changed from time to time to reflect developments in the basic direction of international and domestic affairs. Over the years, Pyongyang also has made minor adjustments intended to make their unification scenario more explicit.

As described above, however, the five great policies form the basis for North Korean demands for a federated republic, which is nothing short of an advanced blueprint for political union. The five great policies, then, must be viewed as integrated measures leading to the creation of conditions for the formation of a federated republic. It bears no repetition to say that Pyongyang's unification policy is linked at its very foundation with the revolutionary line on which rests the existence of the North Korea regime.

It was the enunciation of Pyongyang's policy toward North-South dialogue that began to reveal that the five great policies, the logical essence undergirding Pyongyang's unification policy, were designed merely to create the conditions necessary to establish a federated republic. The dialogue between North and South got underway in the early 1970s and reached a high-water mark with the announcement on 4 July 1972 of a Joint North-South Statement, an event which is regarded as the beginning of North-South dialogue. Bilateral talks were proceeding between the North-South Coordinating

Committee and between representatives of the Red Cross when North Korea suddenly stopped contacts and announced conditions for continuation and expansion of the dialogue. These conditions were designed to bring the logic of the five great policies to fruition.

Specifically, North Korea said that before dialogue could continue, Seoul had to repeal both its Anticommunist Law and its National Security Law, adopt a policy favoring federation with the North, and withdraw President Pak Chong-hui's 23 June 1973 policy statement. At the same time, Pyongyang insisted that the dialogue must be expanded beyond talks with official South Koreans. Either the composition of the North-South Coordinating Committee must be changed to allow participation therein by representatives of social organizations and of non-governmental groups, especially political parties and expressly including the Revolutionary Unification Party, Pyongyang insisted, or, alternatively, a distinct body must be formed to accommodate representatives of these groups. The North-South dialogue could then be renewed, Pyongyang demanded, only with the participation of these non-governmental representatives.

Moreover, on 25 March 1974 North Korea proposed the conclusion of a peace treaty with the United States. Pyongyang no doubt picked up its cue for this move from the peace talks undertaken in January 1973 between the United States and North Vietnam in Paris. After 1977, the withdrawal policy of the Carter administration provided North Korea an opportunity to mount a "letter initiative," attempting to communicate directly with Washington, while at the same time trying to approach the United States on 4 March 1978 through the good offices of East European leaders Tito and Ceausescu.

Once the authoritarian Yushin system was well entrenched in the South, North Korea proposed, on 23 January 1979, that a pan-national conference be convened and that a national unification preparatory committee be formed. Pyongyang hoped to use these moves to exploit the growing domestic dissent triggered by Yushin and also to exploit the anti-ROK political currents that Yushin unleashed among Koreans residing overseas, especially in the United States.

The pan-national conference proposed by Pyongyang at that time was just a renamed version of the same grand national meeting the North Koreans had been advocating for years. The chief difference was that large numbers of representatives of overseas organizations of ethnic Koreans were invited to the pan-national conference. Pyongyang's more recent "pan-national conference" fits a different concept and is characterized by an emphasis on inviting representatives of South Korean dissident organizations.

Pyongyang later consolidated its various proposals and activities and enunciated them at the sixth Party Congress in October 1980 under the rubric of a "blueprint for creating the democratic confederated republic of Koryo." North Korea simultaneously listed five conditions for the creation of a federated republic. They are: 1) South Korea must abandon its anticommunist policies and replace its government with a people's government. 2) South Korea must abolish the Anticommunist Law and the National Security Law and dismantle the agencies which have propped up its oppressive rule. 3) Democratic figures and patriotic people must be freed from prison and granted pardons. 4) U.S. forces must be withdrawn from South Korea, and American interference in Korean domestic affairs must cease. 5) The existing Armistice Agreement must be abolished and be replaced by a peace treaty.

With the announcement of the blueprint to create the democratic confederated republic of Koryo, Pyongyang managed to re-package the unification logic of the three great principles and five great policies, but it was only a restructuring, not an abandonment of basic policy lines. The same ideas permeated the new proposal for a confederated republic, a grand structure for political fusion.

Below are listed the three notable trends in the area of North Korean unification policy during the remainder of the 1980s.

First is North-South dialogue. Pyongyang's primary policy is simply to invent ways to avoid it. When that is not possible, then Pyongyang prefers that dialogue that takes the form of mass meetings attended by representatives of "all political parties, all factions, all fields of human endeavor, and all social classes," including overseas ethnic Koreans. Indeed, the reason that the North does not completely block the channels of North-South dialogue is that they find these channels useful from time to time to satisfy their need to create conditions which support their demand for dialogue through mass gatherings.

Second, Pyongyang tries to avoid direct talks between officials of the North and South even while advocating dialogue on military issues, including the issue of withdrawal of foreign military forces. The North has clung for years to a formulation that demands such talks be held either in a tripartite arrangement among the two Koreas and the United States or in a multilateral setting using a format similar to the arms reductions talks. (Tripartite talks were first proposed on 11 January 1984 at a combined session of the Peoples Central Committee and the Standing Committee of the Supreme People's Assembly. On 17 June 1986 O Chin-u, Minister of the Peoples Armed Forces, again proposed tripartite talks. A Foreign Ministry spokesman repeated the proposal yet again on 6 August 1987, calling for talks among the foreign ministers of the North, South, and the United States. A 23 July 1987 official government statement proposed multilateral arms reduction negotiations.)

Third, North Korea avoids real progress in existing dialogue channels, the Red Cross talks, the economic talks, the sports talks, and the parliamentary talks. Even

as it neglects channels that have been hammered out only after laborious effort, Pyongyang continues to propose that new channels and new issues be opened, clinging stubbornly to its logic that arms reductions negotiations or high-level political and military talks need to be launched, but always surfacing the military issue as a sine qua non.

North Korea made arms reductions proposals on four separate occasions in 1987 and 1988, and then on 31 May 1990, Pyongyang integrated these proposals into a ten-point package which it then advanced as "an arms reduction proposal to bring peace to the Chosun peninsula." The proposal was made public over the names of the Peoples Central Committee, the Standing Committee of the Supreme People's Assembly, and the Cabinet. With the inauguration of the Sixth Republic in Seoul, dissident forces emerged from the closet and expanded their scope of activity in every field of human endeavor. Seeking to make hay while this new political sunshine shone in the South, North Korea adopted the highly visible tactic of inviting selected southern organizations and individuals to visit Pyongyang.

On 26 December 1988, the first invitation went to Chondaehyop to participate in preparatory contacts for a pan-national conference and to attend the World Festival of Youth and Students. The invitations were made in the name of Ho Tam, chairman of Pyongyang's Committee for the Peaceful Reunification of the Fatherland. Then, in his 1989 New Year's speech, Kim Il-song publicly invited South Korean dissident figures and the presidents of the four political parties in the South to visit North Korea. More recently, we have watched with interest while Pyongyang advanced a series of proposals related to its hosting of August's pan-national conference at Panmunjom. North Korea used the conference to hone the tactical weapon of selective invitation to a very sharp edge indeed.

Pyongyang Limited to Change To Preserve the System

At first glance, Pyongyang's recent policy line on unification seems to have a considerable amount of flexibility. A closer look, however, reveals that the only flexibility is in the arena of selecting tactical moves. North Korea's policy continues to adhere to a single-minded pursuit of the basic pre-conditions which traditionally have underlain Pyongyang's unification policy, as I have described it above. The more that international developments and trends on the Korean peninsula push North Korea in a direction that threatens the existing configuration of the regime, the more pressing are demands that the system react with a variety of defensive changes.

One area could cause us special concern. Conscious of the pressures for openness building domestically as well as externally, North Korea has a wide range of options for selective change open to it. Pyongyang could deliberately choose to adopt tactics for internal change which also amount to offensives directed against the South. Such tactics in the first instance could expose or amplify the differences of opinion now existing among various South Korean domestic groups in regard to their "expectations" or "anticipations" for unification. This might well pay off handsomely for Pyongyang by undercutting those elements originating in the North-South relationship which pressure the North Korean system for real change. Pyongyang may also believe that it can choose tactics for domestic change which will eventually threaten the South Korean system, perhaps even to the extent that Pyongyang can expect the "disintegration of South Korea's anticommunist system," and the fulfillment of a premise of their own basic revolutionary strategy.

Just what choices must we make in response to this basic North Korean policy line? This question is too expansive to be considered in detail in this article, so with the reader's indulgence I will merely offer my own brief opinion on the matter.

Our first choice must be to work to narrow the differences in opinion rife within our own system. Inevitably, the only changes of which the North Korean system is capable for a long time to come—the only changes we will see—are those selective changes that are instituted "from the top" solely for the purpose of preserving the regime. The point for us, then, is that we should approach our own changes on that assumption, and we should approach them with caution but with strict attention to detail. The point for us, I think, is that we need to re-examine our basic views on unification.

North's Economic Structure, Problems Examined

SK1709072990 Seoul SINDONG-A in Korean Sep 90 pp 285-291

[Article by Chong Kap-yong: What's Wrong With Pyongyang's Economy?]

[Text] The openness and reform underway in the socialist camp today has delivered a resounding, unparalleled shock to North Korea. The collapse of the regime in Romania dealt the heaviest blow to Pyongyang. The Romanian regime shared many similarities with the regime in Pyongyang. It was shot through with nepotism, its doors were tightly closed, its rule was stringent, and its head of state was idolized. Two ranking North Korean officials, Prime Minister Yon Hyong-muk and Foreign Minister Kim Yong-nam, visited Bucharest just before Romania collapsed and pledged that the conventional Stalinist system would prevail. Heedless of North Korea's shock and concern, however, the waves of reform have washed over Eastern Europe, are now fully at work in the Soviet Union itself, and portend the collapse of all the socialist nations.

The revolutionary changes in the socialist camp have enabled South Korea to make inroads into Eastern Europe and the Soviet Union, areas which had been off limits economically and politically for decades. The same revolutionary changes, on the other hand, have

increased North Korea's relative isolation. Despite the fact that North Korea understands that reform is necessary to overcome its economic stagnation, Pyongyang is clearly experiencing serious conflict between concern for protecting the regime from the political instability of reform, on the one hand, and a policy of openness on the other.

We must understand the structural peculiarities of North Korea's economic system as well as its achievements if we are to comprehend the conflict and dilemma that face Pyongyang today and entertain any hope for the future of North-South relations. We must also analyze the influence exerted upon the North Korean economy by the Soviet Union and East Europe and consider whether Pyongyang will choose to open, and if so what our own policies should be in response.

Pyongyang's Economy Is Run By Centralized Planning

The nature of the North Korean economic system was clear for all to see when the regime in the North moved at an early moment in its history to implement a Stalinist, planned economy. This system was adopted by the countries of the socialist camp after the end of World War II and was characterized by rejection of private ownership of the means of production and by a centralized planning system under which all decisions regarding the production and exchange of wealth as well as all sales and price-setting were made by government fiat in accord with a broad, centralized plan. The same processes occur in a capitalist economic system, to be sure, but the market itself makes decisions, and the autonomy of the individual is respected. In North Korea, the government is the market.

Centrally-planned economies suffer from a variety of ills, as is widely known, two of the most telling of which stem from the restraint of the profit motive and decreasing economic performance caused by the artificial apportionment of resources in accord with fiats issued by central planners. Eastern European countries have attempted to solve these problems since the early 1960s, adopting reforms like decentralizing economic decision-making and partially reviving the free market. Even China adopted a policy of pragmatism at one time and implemented reforms to allow broader autonomy for industry and to partially reinstate the profit motive. The recent reforms in the socialist camp share a common intention to return to a market economy.

North Korea is the exception. Pyongyang is actually strengthening its system of centralized economic planning, yet the North Korean economy today is the most undecentralized, the most fiat-directed system in the socialist world. The central government and the Workers Party continue absolute control over the economy via central plans and central fiat. For nearly 50 years North Korea has used its planned economy to pursue a basic objective of the regime: "To build an independent national economy through our own efforts alone." I will touch on the structural peculiarities of the economy that have appeared in North Korea during the decades of effort to achieve this objective.

First, North Korea's economic structure is based on heavy industry. This phenomenon appears in all the states of the socialist camp and derives from the logic that swift economic development can be realized by building up heavy industry ahead of other sectors because heavy industry significantly expands the means of production. The logic goes farther, claiming that heavy industry provides the industrial foundation on which light industry and agriculture can develop. In North Korea's case, the planners pushed heavy industry with the conviction that a strong heavy industry would establish the foundation for national economic independence, the primary objective of their chuche philosophy.

The policy succeeded, at least in the early period. Fostering heavy industry in the early stages of development brought real results, and Pyongyang's planners fully believed that they had achieved not only significant growth in heavy industry itself but that they had plowed the field for further economic development in all sectors. North Korea's industrial sector nearly tripled in the 18 years from 1946 to 1964, jumping to 62.3 percent from a meager 23.2. Pyongyang's planners, however, had overdone it. Their single-minded emphasis on heavy industry caused the stagnation of light industry and agriculture and also produced a significant imbalance among industries, seriously crippling the economy and locking the North Korean people into an abysmal standard of living. Moreover, even in the heavy industrial sector itself, Pyongyang had failed to achieve either a revolution in technology or significant gains in productivity. Growth had come largely as an extension of the practice of mobilizing ever larger accumulations of raw labor. The closed nature of the regime led it to eschew trade, a policy which served only to aggravate the increasingly serious problem of technological backwardness. Eventually, the single-minded pursuit of heavy industry resulted in the waste of national resources, the degradation of the standard of living, and the dulling of overall economic growth. The upshot was that even the heavy industry sector stagnated, falling short of the competitiveness necessary in international competition.

Second, as I have already noted, North Korea persisted in the isolationist tendencies common to socialist economic systems. But Pyongyang took it even farther. Alone among the socialist states, North Korea espoused the chuche philosophy, doggedly pursuing "an independent national economy" through "our own efforts alone." Chuche led them to build an economic hermit kingdom, in which they naturally emphasized an inwardly-oriented industrialization strategy rather than an externally-oriented developmental strategy like expanding exports. In point of fact, chuche ideology does not rule out international relations, advocating only that exchanges among nations be conducted smoothly on a foundation of mutual autonomy. In 1975, however, Pyongyang defaulted on foreign debt. From that time onward the North Koreans began to put even more

emphasis on self-sufficiency in an isolated economy, consciously linking this emphasis with chuche ideology. North Korean trade dropped dramatically.

The internally-oriented developmental strategy of mobilizing ever greater labor assets in a closed economy caused a drop in the level of technology and in productivity as well and revealed decisive limits to North Korea's ability to achieve a competitive international economic stance. Although this strategy resulted in swift industrial development, it also blocked introduction of new technology from overseas and ultimately fostered an industry with insufficient strength to compete on the international economy. This is an innate limitation of a closed economy, and was a major element that caused the stagnation of the Soviet and Eastern European economies. Pyongyang would prove to be no exception in this regard. North Korea came to understand this, and beginning in the 1980s showed an inclination to pursue an open policy, passing a law in 1984 that allowed joint-venture investment by foreign industries. So far, however, it has been a case of too little and too late.

The Realities of the North Korean Economy

Examining the North Korean economy in detail is truly like looking through a glass darkly. We encounter restrictions imposed by our own capitalistic viewpoint and by a compulsion to compare the North directly with ourselves. Yet North Korea does not use even a concept so basic to us as GNP, a standard by which international economies can be compared. The closest thing to a GNP in socialist states is the Overall Socialist Production Index, which is not a measure of overall production. Yet North Korea has not announced even the socialist production index since 1965. Another serious problem is the foreign exchange rate. North Korean currency is not subject to market forces in the international foreign exchange markets, and its value has been frozen for many years. Comparative econometrics requires that the target economy be described in a standard, constant currency, usually dollars. Yet we face significant problems when we try to convert North Korea's economic indexes to dollar values.

For these reasons it has become standard econometric practice to avoid expressing economic statistics in terms of sums of currency when comparing nations with radically different economic systems. A common denominator, of sorts, has developed, in which per capita real consumption and real production per capita are expressed in terms of in-kind indexes rather than currency indexes. Yet even here North Korea remains a mystery. No South Korean research organization and no other such organization elsewhere in the world has published in-kind indexes for North Korea. Hungary's World Economic Research Center recently published indexes of virtually all the nations of the socialist camp but excluded North Korea because the Center did not have enough information on Pyongyang's economy. As a result, most evaluations of Pyongyang's economy are based either on conjectural indexes or upon the limited information announced by North Korean officials themselves.

Studies done in and out of South Korea on Pyongyang's economy generally agree that North Korea enjoyed a high rate of economic growth through the mid-1970s. Starting then, however, Seoul's economic strength began to outstrip the North's, and Pyongyang's economy stagnated like those of the other socialist states. The various econometric research organizations show wide differences in their comparisons of the economic strength of Seoul and Pyongyang, but it seems likely that South Korean per capita income is at least twice as high as that of the North, while overall GNP is an enormous five times higher. The lowest estimate for North Korean per capita income suggests that this figure may be under 900 dollars per year.

In 1988, North Korea's trade totaled a meager three billion dollars, and the lion's share of Pyongyang's exports went to the Soviet Union, which received some 50 percent of the total. In its trade with Moscow, North Korea imports mostly oil, petroleum products, machines and equipment, and transport aircraft. Pyongyang exports mainly minerals and raw materials to the Soviet Union. A similar pattern prevails in North Korean trade with China, although the overall volume of this trade seems to have slipped as China increased its trade with the West.

North Korea has suffered a chronic foreign trade deficit. In 1987 the red ink reached 1.5 billion dollars, followed by 1.2 billion in 1988. These are problematic figures over against the relatively small volume of total North Korean trade. Pyongyang's foreign debt, meanwhile, is estimated to be 5.2 billion dollars, of which the amount owed to the Soviet Union is about 1.8 billion.

North Korea's law allowing international joint ventures, passed to help the North solve its international balance of payments problem and to attract Western capital and technology, has been largely ignored in the West. Most of the participation—19 of the total of 36 joint ventures underway in March 1989—comes in the form of small-scale investment from companies associated with Japan's Chochongnyon [General Association of Korean Residents in Japan]. The law has failed to attract the interest of Western industry largely because of the inflexibility of the economic system, unattractive concessionary conditions, and the limited domestic market.

Reforms in Russia and East Europe Affects Pyongyang

Ultimately, the dilemma North Korea faces can be reduced to the economic need for openness clashing with the political need to block threats to the stability of the regime. The socialist states of Eastern Europe have all faced this same dilemma at one time or another.

Foreign trade is the first element that suggests that the North Korean economy has no choice but to open up. Until recently, the socialist camp often exchanged

imports and exports in barter trade or on the basis of inconvertible rubles, methods which avoided hard-currency transactions. Recently, however, the collapse of the socialist camp and the push to open the various socialist countries has resulted in a precipitous drop in soft-currency trade, while trade based on convertible currency has expanded with equal rapidity. As a result, North Korea has been forced to look for new trading partners and to acquire hard currency. But Pyongyang faces serious limitations in its ability to succeed at either of these two approaches because, firstly, acquiring convertible currency at North Korea's present level of economic development is all but impossible, and, secondly, in 1990 it is exceptionally difficult to find trading partners willing to accept exports on a barter basis. With the exception of China, all the socialist states are positively pushing openness and reform, so that North Korea's options for old-style trading partners have diminished even farther.

Barter commerce amounted to about a third of North Korea's total trade until now, but recently sources suggest that even Russia, Pyongyang's chief trading partner, is becoming serious in its demands that its oil exports to the North be paid for with hard currency. The economies of the Soviet Union and Eastern Europe will be driven increasingly by market forces over the next two or three years, tending to place an even higher premium on scarce hard currencies in these nations. This will deal a sharp trade blow to Pyongyang, whose hard-currency reserves are next to nil. Over the years, North Korea has been able to manipulate its closed system to reduce imports to an absolute minimum, but one paradoxical result of this practice is that the North Korean economy now suffers from a pent up and crucial need for imports in various sectors. Unless Pyongyang adopts some kind of openness, the North will find it impossible either to obtain hard currency or to make the change to commercial trade.

A second element that makes openness and reform an absolute necessity can be found in the North Korean economy's own structure. Based on "our own efforts alone" and on "chuche ideology," North Korea has doggedly pursued the objective of creating an independent national economy, maintaining the most closed socialist system in the world in the process. However, their inflexible economic system simply was not up to the task imposed by that objective, as, indeed, the economic experience of the Soviet Union and Eastern Europe also amply demonstrate. Nor will North Korean socialism prove to be an exception. Interreliance becomes more important in the international economic world everyday, and it simply is not possible for a nation to build a modern industrial society in a vacuum. The key objectives of Pyongyang's third seven-year economic plan (1987 to 1993)—improving the economy's technological base and boosting the people's standard of living—cannot be achieved unless North Korea allows openness and reform. A third element is North Korea's relative isolation among the socialist states. As Seoul's relations with the countries of Eastern Europe has improved, Pyongyang's isolation has increased. The future establishment of diplomatic relations between South Korea and the Soviet Union as well as continued reform in the other socialist states will serve only to isolate North Korea even more. Pyongyang has shown signs of attempting to improve its relations with the West recently, but North Korea will find it immensely difficult to overcome her international isolation unless she reforms and opens her system.

Other elements which suggest that Pyongyang must adopt openness follow: To gain a superior position in its competition with Seoul, to promote its national defense industries, to acquire export competitiveness, to improve its level of technology, and to acquire a pool of competent technicians. Pyongyang is presently following a stop-gap policy aimed at minimizing the need to open. The North is strengthening domestically-oriented measures such as conserving resources and boosting productivity, but such stop-gap measures are not sufficient to solve the structural problems of its economy.

Despite the crucial economic necessity for openness and reform, North Korea is proceeding in the direction of shoring up the system, a move that can be understood only on political grounds. The opening of North Korean society will inevitably introduce instability to the regime. We have already witnessed examples of this in Eastern Europe and in China's Tiananmen Square. Despite the crucial necessity of an openness policy from an economic viewpoint, North Korea cannot bring itself to adopt that policy because of concern about regime stability.

Change in North Korea, then, will be determined by the outcome of a clash between elements which promote openness and elements which retard it. In other words, the extent of openness and reform in North Korea will be decided when an accommodation is struck between the sharp political arguments opposing change and the equally sharp economic arguments supporting it. So far political arguments have carried the day in the decision-making process in Pyongyang, suggesting a high possibility that the North Korean leadership will regard regime stability as most crucial and resign themselves to the fate of economic stagnation. We can estimate the outlook for change in the North by adapting lessons learned from the process of reform in the Soviet Union and Eastern Europe to North Korea's particular situation. That outlook follows.

How Will the North Korean Economy Change?

The first possibility is also the most likely. The possibility is high that the North Koreans will pursue a policy of minimal openness, opening just to that degree that will not trigger regime instability but will put hard currency in their pockets. Even if economic stagnation continues for some time to come, the strategy likely will be to place the highest priority on regime stability, limit popular dissatisfaction by tightening control of public

information, continue operating the economy on the basis of "our own efforts alone," and allow only minimal opening.

This model for reform was tried in the 1960s in Eastern Europe and is cut from the same bolt as Hungary's new economic mechanisms or Yugoslavia's independent management policy. However, the previous experience with this model showed that it amounted to partial reform from which long-term results cannot be expected and despite which the system's structural contradictions remain intact. The North Koreans, nonetheless, are most likely to follow this model, down playing openness for the sake of regime security even at the cost of sacrificing their economy and the social welfare of their people. Under this model, Pyongyang might adopt such policies as adding attractive features to its foreign joint venture law or allowing only that degree of openness that would not undercut the regime's control of public information.

As a second possibility, Pyongyang could opt to undertake a basic reform of its economic system. Pyongyang could evaluate the results of reform in the Soviet Union and Eastern Europe, bend to pressure from the socialist camp to open, and expedite reform by deliberately inculcating a free-market system. Such a decision would accommodate the decisive influence Pyongyang feels from Moscow's pressure and Beijing's reform policies. Even North Korea will have no choice but try this reform model if Pyongyang's economy continues to degenerate until it reaches the point of national collapse.

Pyongyang's third possibility is a sudden reform of the type that overtook Hungary. This is, of course, merely a possibility and cannot be anticipated on logical grounds, but neither can it be ruled out completely. As much as anything else, some of the recent changes in Eastern Europe were fueled by unexpected political changes, and many of these changes simply were not susceptible to logical forecast. Even cutting off information to the North Korean people, no matter how completely that is accomplished, cannot rule out completely the possibility of an unexpected incident.

The most likely model for reform in North Korea is to push openness and reform only in a negative way, only for a short time, and only to the extent that regime stability is not threatened. Quite irrespective of the shape of possible reform, however, it is crystal clear that the later openness and reform come to the North, the greater will be the rate of economic stagnation. Thus, even a policy of partial, short-term openness could lead eventually to full-blown openness.

The future of the North-South relationship depends on North Korea's choice on the matter of reform. For our part, we need a long-term strategy to deal with the various possibilities for North Korean openness, if for no other reason than the possibility that we may some day need to unify our economy with that of the North. We urgently need to pursue basic tasks which have remained taboo for too many years, tasks like the concentrated study of socialist economics, like deciding what kind of economy to adopt after reunification, and like analyzing how to change a planned economy into a market-driven one.

A key conclusion established in the process of normalizing our relations with the Soviet Union and Eastern Europe was that our own continuous economic development and credit-worthiness in the international economic world were a shortcut to motivate the socialist states to accept our cooperation. This was proved again in our relations with East Germany, and the fact is that it applies to all socialist countries without exception. Even in our relations with North Korea, then, in the long run the most decisive element will prove to be our own economic strength and our international credit worthiness.

Unification Minister Briefs Assembly on Talks

SK1809090890 Seoul YONHAP in English 0852 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (OANA-YONHAP)—National Unification Minister Hong Song-chol said Tuesday that South and North Korea may near agreement in the second round of prime ministers' talks on the South's eight-point proposal for comprehensively improving inter-Korean relations and the North's three principles.

Hong told the National Assembly panel for unification policy that the second round of the talks on Oct. 16-19 in Pyongyang will help narrow gaps between the South and North even though they are not expected to make substantial progress. The minister declined to elaborate.

The eight-point draft agreement the South presented in the first round of the talks in Seoul early this month includes mutual respect for and recognition of each other's governments, renunciation of slandering and vilification, building military confidence and reducing arms, abandoning any attempts to sabotage or overthrow each other and resolving disputes and differences through dialogue and negotiations.

The three-point North Korean proposal, also made during the first round of talks, called for both sides to declare their willingness to abide by the three principles of unification articulated in the July 4, 1974, South-North joint communique and to pursue inter-Korean relations and exchange in accordance with common interests.

On U.N. membership, Seoul's top unification official hinted the South may seek a unilateral conclusion to the matter if the two sides fail to reach a compromise in talks, the first round of which took place on Tuesday [18 Sep] at the truce village of Panmunjom under an agreement reached during the prime ministers' talks.

"The working-level contacts to discuss the U.N. issue should not last indefinitely...," Hong said, adding that

the South may take a unilateral step if the talks fail to yield a conclusion in a certain period of time.

Hong also said the South is drawing up plans for reuniting separated families, most split during the 1950-1953 Korean war, that include establishment of a meeting place in the border village of Panmunjom.

On press reports that North Korean leader Kim Il-song made a clandestine visit to China last week, Hong said he could not confirm the trip.

"If Kim visited China, I guess that he might have discussed with Chinese leaders such pending issues as Sino-North Korea relations in connection with the 11th Asian Games in Beijing, the inter-Korean prime ministers' talks and Soviet Foreign Minister Eduard Shevardnadze's visit to Pyongyang," he said.

Hong also said the South welcomes North Korean moves to improve ties with the United States and Japan, but added that they should contribute to inter-Korean relations.

DPRK's UN Membership Proposal Rejected

SK1809065490 Seoul YONHAP in English 0645 GMT 18 Sep 90

[Text] Panmunjom, Korea, Sept. 18 (OANA-YONHAP)—North Korea called Tuesday for the two halves of Korea to jointly apply for a single U.N. seat this year, but South Korea rejected the proposal as unrealistic, unrealizable and counter to international law and practice and renewed its call for simultaneous entry to the world body.

South Korea hinted, however, that it might review the northern proposal at its leisure.

The two sides were holding working-level talks at the truce village of Panmunjom to discuss U.N. membership under an agreement reached by the prime ministers of South and North Korea early this month in Seoul.

The session was attended by Yim Tong-won, chancellor of the South Korean Foreign Ministry's Institute for Foreign Affairs and National Security, and Ambassador-At-Large Choe U-chin of North Korea, both delegates to the prime ministers' talks.

Choe said South and North Korea should join the United Nations as a single member or assume the right to represent Korea alternately for a month or more.

He also proposed that the South and North jointly exercise the voting right in the United Nations on matters they agreed on and abstain on matters they disagree on.

The right to address a session of the United Nations can be allocated to one of the two sides under an agreement and the other side can be allowed to make an additional speech, Choe said.

Both sides can use the name "Korea" and a flag with a blue emblem symbolizing the map of Korea on a white ground if they share a single seat, Choe said.

He suggested both sides take joint steps in performing their duties in the United Nations or respectively cope with the matter within the limits of not doing harm to each other's interest.

In a keynote speech to the meeting, Choe said if the North and South simultaneously enter the United Nations with separate seats it could hamper unification of the Korean peninsula and legalize the nation's division.

The U.N. issue was one of two matters the South and the North agreed to further discuss when their prime ministers met in Seoul for the first round of high-level inter-Korean talks. The other is reuniting families split during the 1950-1953 Korean war.

"It is natural for both sides to join the United Nations in a unified state, but if they must enter before unification they should share a single seat so as to help accomplish the grand task of unification," Choe said.

Yim replied that the South was convinced that simultaneous admission to the United Nations could advance the cause of unification and ensure international peace and stability.

"Our position is that both sides should simultaneously join the United Nations as a temporary step until unification is realized," he said.

Citing the cases of North and South Yemen, and East and West Germany, Yim said it was unrealistic of North Korea to claim that simultaneous entry would perpetuate and legalize the division.

Yim also dismissed as unrealizable the North's proposal that both sides exercise the right to address the United Nations in accordance with an agreement.

"Considering the reality that both sides have hardly reached agreement even on trivial matters, such as exchanges of people and mail, since their division 45 years ago, the proposal is unrealizable and unrealistic," Yim said.

Yim said in a separate news conference after the meeting that the South and North were not expected to strike a compromise on the U.N. issue as the North presented unrealistic proposals but the South would review the proposals without being restricted by time.

"The North's proposals cannot be realized as they run counter to international law and rules," Yim said.

But in his news conference, Choe said he expected the South to come up with a compromise the two sides can agree on in the next round of talks.

Seoul had long said it would seek unilateral U.N. membership if the North continued to refuse simultaneous

entry, but retreated in the prime ministers' talks, during which the North placed top priority on blocking the South's move for unilateral entry, and agreed to discuss the matter separately.

The two sides agreed to set the date for the second round of talks through contacts between their liaison officers.

Denuclearization of Korean Peninsula Urged

SK1809082590 Seoul CHOSON ILBO in Korean 16 Sep 90 p 3

[Editorial: "Converting the Korean Peninsula into a Nuclear-Free Zone"]

[Text] Once again the nuclear danger in our country has come into question. Mankind's first realization of the formidable force of the nuclear threat came after an atomic bomb was dropped in Hiroshima, Japan, on 6 August 1945. Since then formidable nuclear might, however, has ironically been used as a means of keeping peace by deterring war.

As a result, the world has remained divided between people who excessively emphasized only one side of the truth. Sir Bertrand Russell, who during the fifties and sixties was the symbol of human conscience and was believed to be the highest intellectual, insisted on completely abolishing nuclear weapons; whereas Sidney Hook, U.S. pragmatist, was very emphatic about the role and function of nuclear weapons as a deterrence to war.

The government has recently called on North Korea to sign the nuclear safeguards accord through the voice of leaders of Japanese political parties, and the Japanese government is also reported to have expressed concern about the threat posed by North Korea's nuclear capabilities at the Soviet-Japanese foreign ministers' talks. North Korea's nuclear threat as such has begun drawing our attention after North Korea refused to sign the nuclear safeguard accord during the International Atomic Energy Agency [IAEA] conference held last September in Vienna, linking it to the issue of converting the Korean peninsula into a nuclear-free zone. In particular, there have been several reports saying that North Korea seems to have facilities capable of producing nuclear bombs in Yongbyon, North Pyongan Province. It is true that North Korea has been using the combination of the existence of nuclear facilities, its refusal to sign nuclear safeguards accord, and its call for converting the Korean peninsula into a nuclear-free zone as a trump card in negotiations with South Korea over the withdrawal of U.S. troops and nuclear weapons from South Korea.

In spite of all this, North Korea tries to make the presence of nuclear weapons in South Korea, an assumption based on weak, unverified circumstances, a precondition for its possession of nuclear capabilities, arguing that it should have nuclear weapons to counter what it claims is nuclear weapons deployment in South Korea. This is an expression of an unnecessary pride and a sense of independence as childish as the fretful attempt our country once made to develop nuclear weapons as part of self-reliant defense effort to cope with the withdrawal of U.S. ground forces.

Therefore, taking this opportunity, we would like to urge the personages concerned from both the North and South of Korea to declare denuclearization of the Korean peninsula as the first step for relaxation of tension in this district. Denuclearization of not only the Korean peninsula but also China, Siberia, and the Japanese Islands is desirable. North Korea should sign a nuclear safeguards accord. It may be feasible for us to demand that the U.S. Administration withdraw nuclear weapons from South Korea before withdrawal of U.S. troops.

Needless to say, we are not in the position of underestimating the dreadful killing and injuring power of conventional weapons out of excessive fear of the horrible total lethal capabilities of nuclear weapons. It is our hope that withdrawal of nuclear weapons would work as a symbolic act of and as the first step for withdrawing and abolishing all weapons. Humankind, under a common cognition that chemical, biological, and radiological weapons are the most dreadful lethal weapons, made every effort to restrict the use of these weapons because they have indiscriminate mass killing and injuring capabilities compared to conventional weapons.

Although we are pursuing reunification as the supreme task, we do not want to use dependence on mass lethal weapons as a reunification method. We think that there is no reason why both North and South cannot reach an agreement on this point. However, the allegation that if only nuclear weapons were pulled out, all problems would be solved is not correct. On the other hand, one should not increase conventional weapons on the pretext of withdrawing nuclear weapons. We maintain that not only nuclear weapons but also factors justifying the use of nuclear weapons as a deterrent power should be equally removed.

North Envoy Hints About Renewed Sports Talks

SK1809011790 Seoul YONHAP in English 0040 GMT 18 Sep 90

[Text] Beijing, Sept. 18 (YONHAP)—Kim Hyong-chin, vice chairman of the North Korean Olympic Committee, said Monday he was willing to meet with Chang Chung-sik, chief of mission of the South Korean contingent to the Beijing Asian Games, and other sports leaders from South Korea.

Kim's remarks, made in a telephone interview with YONHAP News Agency, suggest North Korea is ready to reopen the inter-Korean sports talks, designed to form a single Korean team for the Asiad, that were ruptured seven months ago.

Kim, chief North Korean delegate to the aborted talks, said he would be positive in trying to meet with sports

figures from South Korea. He is here to attend a scientific-academic congress for the Asian games.

"The sooner the better for sports figures from North and South Korea to meet," Kim said, indicating he may meet with Chang, his southern counterpart in the suspended sports talks, on Tuesday.

DPRK Reporters Deny Kim Il-song's China Trip

SK1809083990 Seoul YONHAP in English 0822 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP) —It was reunion time for the press on Tuesday morning at the truce village of Panmunjom when many of the same journalists who covered the inter-Korean premiers' talks in Seoul met again to cover the South-North working-level meeting on U.N. membership.

The North Koreans were reticent on reports that President Kim Il-song made a secret visit to China, saying they thought he was in Pyongyang all along.

When asked why the North sent condolences instead of relief goods for flood victims in the South, one journalist bluntly said, "There is no need to take the initiative when the receiving side does not even open its hands."

Unviversity Student Sentiment on U.S. Measured

SK1809075890 Seoul CHOSON ILBO in Korean 17 Sep 90 p 14

[Text] It has been determined that our country's university students' perception of the United States is not one-sided anti-U.S. sentiment to "bring an end to all relations with the United States," but a very strong practical perception of "the need to have friendly relations based on national interest."

It has been learned that the students also think that the United States is a "hateful country" that is most responsible for the division of the fatherland; that it is interfering in internal affairs; and that it has transplanted its decadent popular culture. At the same time, they think that the United States should be "thanked" because it is our important export market; and because it helped our country to achieve modernization, and academic and technological developments.

This was revealed in a survey on "the structure and content of anti-U.S. sentiment of university students," taken last July with 500 students in all, 100 students each from Seoul National University, Yonsei University, Koryo University, Songgyungwan University, and Ehwa Women's University. This survey was taken by the Modern Research Institute, which was commissioned by Yonsei University's academic quarterly, "Truth and Freedom."

In this survey, 6.2 percent of the students said that the United States was "a country which gave a good impression," while 53.2 percent said that it gave a "bad impression."

Also, in relation to the U.S. intervention during the Kwangju democratic movement, which is an important source of anti-U.S. sentiment within Korea, only 1.8 percent of the students said that the United States "did not intervene," while an overwhelming 75.6 percent of the students said that the United States "interfered." Also in relation to how deeply the United States intervened, 44.8 percent said that the United States "gave tacit permission even though they knew in advance," and 15.6 percent said that "the United States helped." Therefore, one can say that, rather than pressing to ascertain who is responsible for carrying out what acts, the moral and symbolic significance of the involvement is greater.

Also with regard to the influence of the United States toward our country, 74.8 percent of the students said that the United States is "interfering in internal affairs," 84.2 percent said that the United States is "a barrier to North-South reunification," and 89.9 percent said that our country imported "decadent culture" from the United States. On the other hand, 59.3 percent said that the United States contributed to "promoting modernization," 52.6 percent said that the United States helped in "developing education," and 59.9 percent said that the United States helped in "developing technology." The percentage of students saying that they felt positive influence was higher.

When students were asked what they thought about the military capability of the North and South, aside from the fighting power of the U.S. troops stationed in Korea, 47.7 percent said that "North Korea is superior," while 23.2 percent said that "South Korea is superior." On the other hand, when including the U.S. troops stationed in Korea, 5.9 percent said that "North Korea is superior," while an overwhelming 62.6 percent said that "South Korea is superior." This showed that the U.S. troops stationed in Korea are regarded as an important element in the balance of military power.

On the issue of withdrawing U.S. troops from Korea, 49.1 percent said that "it is in reality unreasonable to immediately withdraw U.S. troops," while 39.6 percent said that "it is all right to immediately withdraw U.S. troops."

On the issue of pressure to open up the import market which is regarded as another source of anti-U.S. sentiment in Korea, 31.7 percent said that "it is okay for the U.S. side to pressure Korea to open up the import market," while 50.6 percent criticized it as "unreasonable demands."

Pak Chong-son, head of the Modern Research Institute, which carried out this survey, said, "As a result of this survey, it has been learned that most of the students have a balanced view toward the United States, which is a

different view from some older generations, who worry over the fact that students unconditionally regard the United States with hostility." He also said, "The survey has limits, because the number of those surveyed was small, but there was not much difference in their responses regardless of grade or major. Therefore, it seems that it will not be unreasonable to see this survey as reflecting the opinion of all the students."

Ambassador to U.S. Comments on Gulf Aid

SK1809023990 Seoul YONHAP in English 0220 GMT 18 Sep 90

[Text] Washington, Sept. 17 (OANA-YONHAP)—Park Tong-chin, the South Korean ambassador to the United States, said Monday his government will soon respond to a U.S. request for aid for operation Desert Shield in the Gulf, but hinted the amount offered may fall far short of the request.

Pak told Korean correspondents in Washington that the United States had asked for more than 450 million U.S. dollars to share the cost of stationing troops in the Gulf and the government will soon decide how much it can afford to give.

"The concrete amount of assistance is up to our government," he said, but added that the aid will cover cash, materials and services.

The request was made to President No Tae-u when U.S. Treasury Secretary Nicholas Brady visited Seoul on Sept. 7.

The U.S. Administration asked the Korean Government for 50 million dollars in cash and 100 million dollars in materials and services this year, and 60 million dollars in cash and 240 million dollars in materials and services next year, a diplomatic source said.

According to reports in Seoul, the Korean Government may offer 100 million to 150 million dollars in nonlethal materials and services, citing the hefty burden of its own defense and economic slowdown.

The scale and timing of the assistance may be linked with the massive flood that battered Seoul and central parts of Korea last week, the source said.

As for joining the United Nations, the ambassador said Seoul has yet to decide whether to apply for membership this year.

Under an agreement in the inter-Korean prime ministers' talks in early September, South and North Korea were to discuss the U.N. membership issue Tuesday at the truce village of Panmunjom.

South Korea has said it will seek unilateral admission to the United Nations if the North continues refusing to enter the world body simultaneously. The North contends that both parts of Korea, divided at the end of World War II, should share a single seat in the United Nations.

More on Aid for Gulf Deployment

SK1809060190 Seoul YONHAP in English 0547 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—The South Korean Government will set aside nearly 100 billion won (150 million U.S. dollars) in this year's supplementary budget, in response to a U.S. request to chip in, to share the cost of the military buildup in the Persian Gulf, an official said Tuesday.

He said the plan was mapped out in a meeting attended by Deputy Prime Minister Yi Sung-yun, National Security Planning Director So Tong-kwon, Foreign Minister Choe Ho-chung, Chief Presidential Secretary No Chae-pong and Presidential Secretary for Economic Affairs Kim Chong-in Tuesday.

During the meeting, it was agreed that the government cannot accept the U.S. call for 450 million dollars in light of Korea's current economic difficulties and flood damage.

The U.S. Administration has asked for 450 million dollars in cash, materials and service for the defense of the Middle East, sending Treasury Secretary Nicholas Brady to Seoul on Sept. 6.

Implications of Trade, Aviation Pacts Discussed

SK1809000990 Seoul THE KOREA TIMES in English 18 Sep 90 p 6

[Editorial: "Initialing of ROK-Soviet Trade Pact"]

[Text] The initialing last Friday of trade and civil air pacts between Seoul and Moscow is of great significance in that it means the two countries, which have yet to establish diplomatic ties, have virtually agreed to provide most-favored treatment in bilateral trade as formal trade partners.

This is regarded as marking an epoch-making chapter in the two nations' relations as the proposed conclusion of trade and other bilateral treaties is based on the precondition that their full diplomatic ties be established within the year, possibly in November.

Latest news reports have it that Foreign Minister Choe Ho-chung and his Soviet counterpart Shevardnadze are likely to jointly announce the formal schedule for establishing diplomatic relations in their meeting around Sept. 26 at the United Nations in New York.

The trade and aviation pacts already initialed are among the six accords which the two countries plan to sign before the establishment of diplomatic ties for the expansion of trade and economic exchanges. Of the remaining four pacts, an agreement on science and technology is

expected to be initialed between Sept. 23-25 in Moscow, while another on investment guarantees is likely to be signed in Seoul on Oct. 4. The other two pacts to be concluded between the two nations are on avoidance of double taxation and cooperation in fisheries.

The two countries engaged in indirect trade amounting to nearly $600 million last year, but they have had to undergo discriminatory treatment in two-way trade, due to the lack of a trade pact providing most-favored treatment. However, under the trade accord, if it is put into effect by formal signing, Korea and the Soviet Union will also provide most-favored benefits concerning housing, communications and other living conditions to each other's business branches and their staff members.

Negotiators from the two governments were first at odds over the Soviet proposal to include provisions for the establishment of mutual trade representative offices in the trade pact even prior to diplomatic normalization. Our position was to worry about the likelihood that Moscow would slow down the establishment of full diplomatic ties with Seoul if this bid was accepted. Finally both sides agreed to set up trade offices in connection with diplomatic normalization, in addition to the agreement to strengthen the function of the joint trade commission in response to the Soviet bid to that effect to attract small-medium sized investment, in particular, from Korea.

When signed formally, the aviation agreement will legally back up the bilateral accord signed last February by Korean Air (KAL) and Aeroflot of the Soviet Union on commercial air services.

These pacts will be the first agreements between the two countries since the 1884 Treaty of Friendship and Commerce was annulled in 1904, or 86 years ago, under mounting Japanese influence which eventually led to the forced annexation of Korea and the start of colonial rule here.

More recently, the Soviet Union opened its commercial office in Seoul in April last year while the Korea Foreign Trade Association set up its office in Moscow. Later in February and March the two governments also opened their respective "consular departments" in each other country's capital, the first government missions.

The two-way trade between the two countries began with a volume amounting to only $30 million in 1981. The bilateral trade has ever since grown with a trade surplus in favor of the Soviet Union in most years. This year the trade volume between the two nations is expected to exceed the $700 million figure to register a trade surplus for Korea as a result of the Soviet import of manufactured daily necessities from Korea in large quantities.

All told, the Soviet Union will be the sixth socialist country to conclude trade and other pacts with our country, after Hungary, Poland, Romania, Czechoslovakia and Bulgaria.

On the other hand, it is distressing to see no tangible progress in improving relations with Beijing since the Tiananmen massacre in June, 1989. It is our hope that Seoul-Beijing ties will be improved on a reciprocal basis as early as possible as momentum to accelerate improvement of inter-Korea relations toward the eventual reunification of the divided country.

Government, Soviets To Establish Trade Body

SK1809021790 Seoul YONHAP in English 0208 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—South Korea and the Soviet Union have agreed to establish a joint committee to promote bilateral trade, Assistant Trade and Industry Minister Sin Guk-hwan said Monday.

Sin told reporters that the committee, headed by a minister-level official from both governments, will begin to function next month.

"Economic cooperation with the Soviet Union, which has been taken care of by economic organizations such as the Korea Trade Promotion Corp. and Korea Trade Association, will be controlled by the Trade and Industry Ministry," Sin said.

The government made the change to prevent excessive competition between Korean businesses in the Soviet Union and to ensure bilateral trade relations take root within two or three years, he said.

Annual meetings of the joint committee will alternate between Seoul and Moscow, and Korea has invited the Soviet minister for foreign economic relations to the first conference, Sin said.

Seoul and Moscow recently initialed a trade agreement that includes giving each other most-favored nation status.

Soviet Delegation To Arrive in Late Oct

SK1809011390 Seoul YONHAP in English 0035 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—A Soviet Government delegation led by Yuriy Maslyukov, deputy prime minister for economic affairs, will visit South Korea around Oct. 20, government sources said Tuesday.

The Soviets will conclude six agreements with Korean officials and will determine the content and size of bilateral cooperation in the economic sector. The six pacts are on investment guarantees, avoidance of double taxation and cooperation in the trade, aviation, science-technology, and fisheries fields.

The Soviet and Korean officials will also draw up an agreement on the exchange of trade offices in Seoul and Moscow, and will discuss preparations for the establishment of diplomatic relations.

a broad military mass organization, can have its life as the revolutionary army and the army of the people only under the leadership of the party and the leader.

The party's leadership is as precious as life to the revolutionary army. The history of the long revolutionary struggle of the working class and the proud history of our People's Army show that the genuine path for development of the revolutionary armed forces lies only in loyally upholding the party's leadership.

Cherishing this idea as an absolute truth, our People's Army will fulfill the revolutionary mission in the future, too, as the army of the leader, the army of the party, and the army of the people.

Another important idea set forth in the great leader's work is the idea of strengthening the political work within the People's Army. The might of the revolutionary army lies in the consciousness of the soldier masses, and their consciousness is to be demonstrated through political work.

When the political work is strengthened within the army, the political and ideological superiority of the revolutionary army can be displayed and its might can be firmly consolidated.

In his work, the great leader taught that properly carrying out the political work and working with officers and soldiers is a guideline of our party's work within the army. The great leader taught that the political work system, which assumes persuasion and indoctrination as its main line, should be established within the People's Army and that priority should be given to the work of inspiring the voluntary zeal of soldier masses above all other work.

Today loyalty to safeguard the party and the leader by dedicating one's life is overflowing within our People's Army, voluntary discipline is established and the fine custom of unity between soldiers and civilians and unity between officers and men is being endlessly displayed. This is closely linked with the fact that the role of political organs within the People's Army has been enhanced and political work has been strengthened.

Clearly bearing in mind that strengthening of the party's political work is of great significance in building the revolutionary armed forces, we will firmly organize political organs and political functionaries within the army, and will further enhance their role.

For over the last 30 years since the great leader's work was made public, the justness and vitality of the leader's chuche-oriented idea of building the army have been vigorously demonstrated. The vitality of the great leader's work is that the party's leadership system has been firmly established throughout the entire army. Thoroughly establishing the party's leadership system within the entire army is a basic requirement of the People's Army in fulfilling its revolutionary mission as the army of the party and the leader.

The party's leadership over the army is to be realized through the revolutionary work system and in this, party organs within the army play an important role.

As taught by the great leader, party organs within the People's Army are not merely consultative organs but are military and political guidance organs. Only when party organs are firmly organized within the People's Army and their role is enhanced, can the chuche idea—our party's revolutionary idea—flow over the entire army and can the entire army be firmly rallied behind the party and the leader.

What is important in establishing the party's leadership system within the People's Army is making the entire army overflow with loyalty to the party and to the leader. Thanks to the trust and leadership of the party and the leader, our People's Army officers and men are glorifying the honor as proud members of the revolutionary armed forces. It is a lofty demand in their life to safeguard the leader politically and ideologically and with their lives by cherishing boundless loyalty to the party and to the leader.

Today our People's Army is filled with loyalty to uphold its leader with revolutionary faith and principle, like the young communists of the twenties, and with revolutionary will to reliably safeguard the party's cause in firm unity with the great party and the leader.

"Let us fight by dedicating our lives to the great leader and dear Comrade Kim Chong-il!" This is a slogan of faith of our People's Army today.

No strength can be a match for indomitable might of our People's Army which is defending the fatherland and the revolution in firm unity with the party and the leader.

The vitality of the great leader's work is such that the entire army is filled with the revolutionary spirit to tenaciously safeguard and accomplish the chuche idea. In his work, the great leader taught that chuche should be firmly established within the People's Army and ideological indoctrination work should be strengthened so that all soldiers maintain the revolutionary principles of the working class. His teaching is a programmatic guideline enabling the People's Army to maintain its revolutionary nature and to vigorously accelerate the building of the army along the road indicated by the chuche idea.

Today the entire army is dominated by the firm faith that it knows no other ideas but the chuche idea.

For our People's Army officers and men, the chuche idea—the party's revolutionary idea—is a guideline for their thinking and action, and the plans and intentions of the party and the leader have become their will.

The entire army has been turned into a body of ideological purity based on the chuche idea amid the march for modelling the entire army on the chuche idea. This is the greatest success attained in the course of building the army in the past.

The chuche faith overflowing in our People's Army has become a firm guarantee for crushing the imperialists' antirevolutionary offensive. Our People's Army heightened its revolutionary vigilance against the antisocialist maneuvers frantically waged by the imperialists today. It is filled with resolute determination to tenaciously defend and protect the socialist fatherland, not wavering under the U.S. imperialists' peace overture [pyonghwajok ihaeng chollyak].

In particular, political organs at all levels within the People's Army strengthened political and ideological indoctrination for the People's Army soldiers since the enemy's war maneuvers were strengthened. Thus, they will firmly and militarily ensure that the man-centered socialism in our country can more highly demonstrate its superiority.

In his work, the great leader stressed the need to oppose bourgeois pacifism within the army and taught that one should establish correct outlook on war and peace. The imperialists are, in essence, aggressive. As long as there are imperialists, the source of aggression and war will constantly remain.

As shown in history and in reality, it is the innate nature of the imperialists to invade the other people without fail if they are regarded as weak.

Today our country is carrying out revolution and construction under conditions in which the fatherland is divided and we are in direct confrontation with the U.S. imperialists. Under these conditions, the relaxation of vigilance, even a slight degree, should not be allowed to take place within the People's Army which is charged with the mission of defending the fatherland.

Our People's Army should firmly establish a chuche-oriented outlook on war and peace and strengthen military and political training. Thus, it will resolutely smash the U.S. imperialists' war provocation maneuvers by firmly consolidating its might.

The vitality of the great leader's work is that the militant function and role of the party organs within the People's Army have been further enhanced.

The great leader taught that the party organs within the People's Army are the supreme guiding organs within the army and their leadership should be a collective leadership. Upholding the great leader's teachings, party organs at all levels within the People's Army normalized the operation of party committees and enhanced the role of the committee members. Thus, they further increased the combat capabilities of the party organs.

As the result, the role of party members as a vanguard within the People's Army has been strengthened and organizations of the League of Socialist Working Youth of Korea are commanding the young soldier masses, overflowing with vigor, under the guidance of party organs.

Party organs at all levels effected a turning point in firmly fostering the People's Army soldiers to be true chuche-type communists by strengthening political work among the People's army soldiers and focusing their efforts on persuasion and indoctrination. In particular, they attained great success in accelerating the chuche-orientation of the entire army by upholding the party's policy for mass movement and by vigorously waging the movement to win the red banner of the three revolutions.

Today our People's Army is prepared politically, ideologically, militarily, and technologically more firmly than ever before. Because we consolidated the combat capabilities of the People's Army, we could check the U.S. imperialists' repeated military provocations and defend the fatherland.

Although the People's Army was charged with the important mission of defending the nation, it directed enormous armed forces to socialist construction and greatly contributed to building the great monumental creations of the era of the Workers' Party.

Our People's Army soldiers have built numerous monumental creations including the Pyongyang-Wonsan expressway and the Sohae lockgate and dedicated their sweat and their efforts to socialist construction. They are very proud of this.

All of the People's Army officers and men should uphold and thoroughly implement our party's chuche-oriented idea and policy for building the army. Thus, they will more firmly and militarily guarantee the chuche revolutionary cause led by the great leader and dear Comrade Kim Chong-il and will reliably defend the socialist gains and security of the fatherland.

Kim Il-song Receives Chuche Delegation

SK1709105390 Pyongyang KCNA in English 1018 GMT 17 Sep 90

[Text] Pyongyang September 17 (KCNA)—The great leader President Kim Il-song today received the delegation of the International Institute of the Chuche Idea headed by its director general Suhachi Inoue, on a visit to Korea.

Present on the occasion was Hwang Chang-yop.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

They presented a gift to him.

He arranged a luncheon for them.

Kim Chong-il Receives Gift

SK1709105790 Pyongyang KCNA in English 1021 GMT 17 Sep 90

[Text] Pyongyang September 17 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift

by the delegation of the International Institute of the Chuche Idea on a visit to Korea.

The gift was handed to an official concerned by head of the delegation Shuhachi Inoue, director general of the Institute.

National Financial, Bank Clerk Meeting Closes

SK1409110890 Pyongyang KCNA in English 1020 GMT 14 Sep 90

[Text] Pyongyang September 14 (KCNA)—The two-day national meeting of financial and bank clerks closed today, successfully concluding its work.

Speeches were made at the meeting.

The speakers stressed that "On Improving the Financial and Banking Business," a letter of dear comrade Kim Chong-il addressed to the participants in the meeting, is an immortal encyclopaedia giving an overall consummation and systematization of the socialist financial theory and a highly important work clearly indicating tasks facing the financial and banking business and ways to carry them out.

Proudly recalling the course of shining victory covered by the financial and banking business under the wise guidance of the great leader President Kim Il-song and our party, they elaborated on the need to effect a new change in this domain and provide a sure financial guarantee for the fulfilment of the third seven-year plan.

They laid stress on making a rational utilization of such economic levers as the production cost, price and profits at industrial establishments to manage the nation's economic life assiduously and methodically.

They pointed to the necessity of properly enforcing the cost accounting system in all factories and enterprises and thus giving full play to the revolutionary enthusiasm of the producer masses and put the industrial management on a more scientific and rational basis and making strenuous efforts for increased production and economy.

They emphasized that the functionaries in the domain of finance and banking and economic executives should acquire a high sense of revolutionary spirit, party spirit, working-class spirit and serve-the-people spirit and display the revolutionary spirit of self-reliance and hard struggle with the firm faith that when our party is determined we can do anything and, thus, resolve all problems arising in the implementation of the party's financial and banking policy in a revolutionary, militant manner.

A letter of pledge was adopted at the meeting.

Kang Song-san Attends Chongjin Workers Rally

SK1809090090 Pyongyang Domestic Service in Korean 2100 GMT 16 Sep 90

[Excerpt] [passage omitted] While the whole province is fervently seething with lofty revolutionary enthusiasm and militant spirit, just before the 45th anniversary of the foundation of the party, a rally of the workers of Chongjin City was held on 16 September at the Chongjin Stadium to thoroughly implement the programmatic teachings of the North Hamgyong Province on-the-spot guidance by the great leader Comrade Kim Il-song which was carried out in August and September 1990 and the militant task recently ordered by the party to the province.

Comrade Kang Song-san, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, responsible secretary of the party of the North Hamgyong Province, and chairman of the People's Committee of the North Hamgyong Province; local government and party organizations; administrative and economic organizations; and responsible functionaries of mass organizations participated in the rally with 50,000 workers of the city. [passage omitted]

Remains of Ancient Koguryo Dynasty Unearthed

SK1709111190 Pyongyang KCNA in English 1013 GMT 17 Sep 90

[Text] Pyongyang September 17 (KCNA)—Korean historians and archaeologists recently unearthed remains of Nampyongyang dating back to the Koguryo Dynasty.

The remains unearthed in the area around Mt. Changsu in South Hwanghae Province swing a circle with a radius of four kilometres from the seat of Ayang-ri, Sinwon County.

Judging from the size of the remains, scholars estimate the then population in the central area of the city at tens of thousands.

Many terracotta tiles, greyish blue tiles and convex tiles for the edge of eaves, typical of the Koguryo Dynasty, were found in the newly discovered remains.

Those tiles from a building site are similar to those of the citadel of Mt. Taesong in Pyongyang and, notably, a brick engraved with letters denoting the year 313 was unearthed near the site of the royal palace. From this, scholars conclude that this place was the secondary capital of the Koguryo Dynasty in the 4th century.

A long earthern wall extending about 2 kilometres in all directions was discovered on the field about 1.7 kilometres South of Mt. Changsu.

Sites of many houses, three wells, six blacksmith's shops, four ponds beside an architecture site believed to be the site of a temporary palace of the king and other remains of the Koguryo Dynasty have been unearthed inside the city wall.

Found there also are a ground built up high which is considered to be the site of an old royal palace, a jade seal, iron fire-hole mantelpieces and iron ploughs.

Meanwhile, scholars newly proved that the Anak No.3 tomb belongs to King Kogukwon of the Koguryo Dynasty.

South Korea

Possible Changes in DPRK Policy Viewed

SK1409080590 Seoul SINDONG-A in Korean Sep 90 pp 272-277

[Article by Kang Kwang-sik: Is Pyongyang's Unification Policy Changing?]

[Text] The "mighty earthquake" of openness which swept the Soviet Union and Eastern Europe recently has created the most favorable opportunity ever for change in the North Korean system. Pyongyang's recent reactions, however, have been to form a joint front with Cuba, Vietnam, and China in reacting negatively toward change, even combating it. Domestically, the North actually has strengthened its ideological tuition of the population, and observers draw the strong impression that Pyongyang is trying very hard to maintain the status quo.

Despite this trend, change seems to be inevitable in the North, although the speed and scale thereof may diverge from experience elsewhere. I say North Korea must change because international environmental factors driving change continue to gain momentum, and the pressure from within for change grows more insistent daily. In view of the pressures for change and the regime's reluctance to accept change, experts anticipate that North Korea, like China, will mobilize every possible means to block the pressure for reform of the system "from the bottom." Instead, Pyongyang will attempt to implement a limited degree of reform "from the top."

For example, among reforms that will not occur, short of an event like a coup d'etat, are a change in the single-party rule of the Communist Party or to the hereditary transfer of power from Kim Il-song to his son. Changes that we may anticipate, on the other hand, include reform that will be characterized by extraordinary flexibility, will occur in the economic sector and be directed at resolving the dissatisfaction of the North Korean citizenry. In other areas, the changes North Korea will pursue "from the top" are likely to be limited to selected, small-scale efforts that do not threaten the integrity of the regime. A gush of demand "from the bottom" for change, however, may oblige Pyongyang to undertake positive reforms needed to satisfy the demands, but these changes are likely to be merely cosmetic "software."

If this is a sketch of the likelihood of general reform in North Korea, what possible changes, then, should we expect in Pyongyang's unification policy and its strategy toward the South? To address this question intelligently, we need to understand Pyongyang's basic position on unification.

As is commonly known, North and South Korea were formed by artificially dividing the Korean Peninsula at the end of World War II, and for many years each has been going all out "to pursue the politics of unification." Thus, changes in the national position on unification, unlike other policy changes, inevitably bring with them alterations in the very nature of the regime itself. The unification issue stamps itself more clearly on the interaction between North and South than any other variable. Moreover, from its very inception the organization of the North Korean regime and its major national objectives have been based on the assumption of the absolute propriety of unification, much more so than in the South, so that it is even more difficult to consider the nature of the North Korean regime apart from the politics of unification.

One witness for this is an explicit passage in the party's official by-laws. "Our objectives," the North Korean party's supra-constitutional by-laws state, "are to guarantee the complete victory of socialism in the northern part of the People's Republic and to execute the twin tasks of national liberation and people's democratic revolution throughout the whole of the country. Our ultimate objective is to forge a communist society." There is no need to emphasize that the words "... to execute the twin tasks of national liberation and people's democratic revolution throughout the whole of the country" provide the North Korean regime with its raison d'etre, to pursue the politics of national unification.

If this is the basic position of North Korea on the unification issue, then it is self-evident that there are significant limitations on the possibility for change. So long as North Korea's framework for reform continues to be to pursue change from the top, selectively, and for the purpose of preserving the system itself, then the basic elements of unification policy and Pyongyang's strategy toward South Korea are areas in which real change will never occur. The only changes we can expect, in fact, are changes in tactical measures undertaken by Pyongyang to block the various elements pressuring for basic reform. Observers expect that these latter changes may well develop with a degree of turbulence.

The Revolutionary Front and the Underpinnings of North Korea's Unification Policy

The North Koreans have reduced the basic directions of their expressed unification policy to the "Three Great Principles," and the "Five Great Policies." Originally, the Three Great Principles consisted of self-reliance, peace, and democracy, but after the 4 July 1972 North-South joint statement was issued, the North officially changed its Three Great Principles to match the "Three Basic Principles for Unification of the Fatherland" which appeared in the joint statement, to which both

sides had subscribed. Since then, the Three Great Principles have been autonomy, peace, and grand solidarity of the entire nation.

The basic outline of the Five Great Policies was enunciated in a speech delivered by Kim Il-song on 23 June 1973. Since then, the key concepts underlying the policies have been repeatedly changed, developing in accord with major developments on the international scene and with domestic North Korean political trends. The five can be summarized as 1) resolve the existing state of military confrontation; 2) collaborate and conduct exchanges in all fields; 3) convene a great national meeting (this term was changed first to all national conference and then to pan-national conference); 3) establish the federated republic of Koryo (later changed to democratic federated republic of Koryo); and 4) both Koreas join the United Nations under a single national name.

Thus, Pyongyang's unification policy seems to be based on establishing a single, federated national entity from which relations between North and South can be conducted peacefully and through which unification can be realized. At first glance, then, North Korean unification policy appears to contain nothing that differs markedly from the basic elements of South Korean unification policy. However, the cautious observer will see that the actual content of the North Korean policies is not that simple. A detailed review of the North Korean unification policies reveals that they are focused inevitably on establishing a united front to realize the basic objectives of the regime.

North Korea's own theory of revolution defines "revolution" as three-fold: the socialist revolution in North Korea, the South Choson Revolution, and world revolution. Under this hypothesis, the socialist revolution in the North and the strengthening of North Korea itself serve the purpose of creating a "base" from which to energize the South Choson revolution. Meanwhile, the pursuit of revolution in both North and South contributes to world revolution itself. Moreover, the North Koreans consider the South Choson revolution to be a regional, or domestic, revolution which must be completed to "consummate the pan-national revolution itself." They define the South Choson revolution as a "revolution of national liberation, a revolution of people's democracy."

The objectives of the South Choson revolution are to expel American imperialism, to overthrow South Korea's anticommunist government, and to establish an "integrated democratic government" modeled on a people's republic. North Korea pursues certain strategies to achieve these objectives. The strategies include, first, creating a revolutionary staff headquarters in the South from which chuche ideology can be inculcated until it grows to be the leading ideology in the South. This, in turn, will lead to the establishment in the South of a "main force army" as well as a union of workers, peasants, youth and students, small-scale national capitalists, intellectuals, and military men into a united front which can be mobilized as an auxiliary or support force. The united weight of these forces will be sufficient to subdue anti-revolutionary forces.

The fatherland unification that North Korea seeks, then, is quite simply a "revolution throughout the whole of Choson." Pyongyang's unification policy and policies related to dialogue with the South are nothing more than strategies designed to create the conditions for revolution. We must recognize that the logic underpinning North Korea's unification policy—the three great principles and the five great policies—are part and parcel of a formula for revolution.

The Course of Change in North Korea's Unification Policy

The logic that drives North Korea's unification policy began with the creation of the North Korean regime itself, with the "Democratic Base Front," which was officially inaugurated on 28 March 1948, and continued with the fratricidal Korean war itself, an event the North Koreans call the "National Liberation War." After the Armistice was declared, North Korea was preoccupied with post-war rehabilitation, and a certain drift characterized its peaceful unification policy. Then in the early 1960s Pyongyang moved away from benign neglect to an active policy demanding unification under a federated entity. In the early 1970s this was supplanted by a unification policy based on the five great policies. Thereafter, the superstructure of the five great policies has remained intact, although their constituent elements changed from time to time to reflect developments in the basic direction of international and domestic affairs. Over the years, Pyongyang also has made minor adjustments intended to make their unification scenario more explicit.

As described above, however, the five great policies form the basis for North Korean demands for a federated republic, which is nothing short of an advanced blueprint for political union. The five great policies, then, must be viewed as integrated measures leading to the creation of conditions for the formation of a federated republic. It bears no repetition to say that Pyongyang's unification policy is linked at its very foundation with the revolutionary line on which rests the existence of the North Korea regime.

It was the enunciation of Pyongyang's policy toward North-South dialogue that began to reveal that the five great policies, the logical essence undergirding Pyongyang's unification policy, were designed merely to create the conditions necessary to establish a federated republic. The dialogue between North and South got underway in the early 1970s and reached a high-water mark with the announcement on 4 July 1972 of a Joint North-South Statement, an event which is regarded as the beginning of North-South dialogue. Bilateral talks were proceeding between the North-South Coordinating

Committee and between representatives of the Red Cross when North Korea suddenly stopped contacts and announced conditions for continuation and expansion of the dialogue. These conditions were designed to bring the logic of the five great policies to fruition.

Specifically, North Korea said that before dialogue could continue, Seoul had to repeal both its Anticommunist Law and its National Security Law, adopt a policy favoring federation with the North, and withdraw President Pak Chong-hui's 23 June 1973 policy statement. At the same time, Pyongyang insisted that the dialogue must be expanded beyond talks with official South Koreans. Either the composition of the North-South Coordinating Committee must be changed to allow participation therein by representatives of social organizations and of non-governmental groups, especially political parties and expressly including the Revolutionary Unification Party, Pyongyang insisted, or, alternatively, a distinct body must be formed to accommodate representatives of these groups. The North-South dialogue could then be renewed, Pyongyang demanded, only with the participation of these non-governmental representatives.

Moreover, on 25 March 1974 North Korea proposed the conclusion of a peace treaty with the United States. Pyongyang no doubt picked up its cue for this move from the peace talks undertaken in January 1973 between the United States and North Vietnam in Paris. After 1977, the withdrawal policy of the Carter administration provided North Korea an opportunity to mount a "letter initiative," attempting to communicate directly with Washington, while at the same time trying to approach the United States on 4 March 1978 through the good offices of East European leaders Tito and Ceausescu.

Once the authoritarian Yushin system was well entrenched in the South, North Korea proposed, on 23 January 1979, that a pan-national conference be convened and that a national unification preparatory committee be formed. Pyongyang hoped to use these moves to exploit the growing domestic dissent triggered by Yushin and also to exploit the anti-ROK political currents that Yushin unleashed among Koreans residing overseas, especially in the United States.

The pan-national conference proposed by Pyongyang at that time was just a renamed version of the same grand national meeting the North Koreans had been advocating for years. The chief difference was that large numbers of representatives of overseas organizations of ethnic Koreans were invited to the pan-national conference. Pyongyang's more recent "pan-national conference" fits a different concept and is characterized by an emphasis on inviting representatives of South Korean dissident organizations.

Pyongyang later consolidated its various proposals and activities and enunciated them at the sixth Party Congress in October 1980 under the rubric of a "blueprint for creating the democratic confederated republic of Koryo." North Korea simultaneously listed five conditions for the creation of a federated republic. They are: 1) South Korea must abandon its anticommunist policies and replace its government with a people's government. 2) South Korea must abolish the Anticommunist Law and the National Security Law and dismantle the agencies which have propped up its oppressive rule. 3) Democratic figures and patriotic people must be freed from prison and granted pardons. 4) U.S. forces must be withdrawn from South Korea, and American interference in Korean domestic affairs must cease. 5) The existing Armistice Agreement must be abolished and be replaced by a peace treaty.

With the announcement of the blueprint to create the democratic confederated republic of Koryo, Pyongyang managed to re-package the unification logic of the three great principles and five great policies, but it was only a restructuring, not an abandonment of basic policy lines. The same ideas permeated the new proposal for a confederated republic, a grand structure for political fusion.

Below are listed the three notable trends in the area of North Korean unification policy during the remainder of the 1980s.

First is North-South dialogue. Pyongyang's primary policy is simply to invent ways to avoid it. When that is not possible, then Pyongyang prefers that dialogue that takes the form of mass meetings attended by representatives of "all political parties, all factions, all fields of human endeavor, and all social classes," including overseas ethnic Koreans. Indeed, the reason that the North does not completely block the channels of North-South dialogue is that they find these channels useful from time to time to satisfy their need to create conditions which support their demand for dialogue through mass gatherings.

Second, Pyongyang tries to avoid direct talks between officials of the North and South even while advocating dialogue on military issues, including the issue of withdrawal of foreign military forces. The North has clung for years to a formulation that demands such talks be held either in a tripartite arrangement among the two Koreas and the United States or in a multilateral setting using a format similar to the arms reductions talks. (Tripartite talks were first proposed on 11 January 1984 at a combined session of the Peoples Central Committee and the Standing Committee of the Supreme People's Assembly. On 17 June 1986 O Chin-u, Minister of the Peoples Armed Forces, again proposed tripartite talks. A Foreign Ministry spokesman repeated the proposal yet again on 6 August 1987, calling for talks among the foreign ministers of the North, South, and the United States. A 23 July 1987 official government statement proposed multilateral arms reduction negotiations.)

Third, North Korea avoids real progress in existing dialogue channels, the Red Cross talks, the economic talks, the sports talks, and the parliamentary talks. Even

as it neglects channels that have been hammered out only after laborious effort, Pyongyang continues to propose that new channels and new issues be opened, clinging stubbornly to its logic that arms reductions negotiations or high-level political and military talks need to be launched, but always surfacing the military issue as a sine qua non.

North Korea made arms reductions proposals on four separate occasions in 1987 and 1988, and then on 31 May 1990, Pyongyang integrated these proposals into a ten-point package which it then advanced as "an arms reduction proposal to bring peace to the Chosun peninsula." The proposal was made public over the names of the Peoples Central Committee, the Standing Committee of the Supreme People's Assembly, and the Cabinet. With the inauguration of the Sixth Republic in Seoul, dissident forces emerged from the closet and expanded their scope of activity in every field of human endeavor. Seeking to make hay while this new political sunshine shone in the South, North Korea adopted the highly visible tactic of inviting selected southern organizations and individuals to visit Pyongyang.

On 26 December 1988, the first invitation went to Chondaehyop to participate in preparatory contacts for a pan-national conference and to attend the World Festival of Youth and Students. The invitations were made in the name of Ho Tam, chairman of Pyongyang's Committee for the Peaceful Reunification of the Fatherland. Then, in his 1989 New Year's speech, Kim Il-song publicly invited South Korean dissident figures and the presidents of the four political parties in the South to visit North Korea. More recently, we have watched with interest while Pyongyang advanced a series of proposals related to its hosting of August's pan-national conference at Panmunjom. North Korea used the conference to hone the tactical weapon of selective invitation to a very sharp edge indeed.

Pyongyang Limited to Change To Preserve the System

At first glance, Pyongyang's recent policy line on unification seems to have a considerable amount of flexibility. A closer look, however, reveals that the only flexibility is in the arena of selecting tactical moves. North Korea's policy continues to adhere to a single-minded pursuit of the basic pre-conditions which traditionally have underlain Pyongyang's unification policy, as I have described it above. The more that international developments and trends on the Korean peninsula push North Korea in a direction that threatens the existing configuration of the regime, the more pressing are demands that the system react with a variety of defensive changes.

One area could cause us special concern. Conscious of the pressures for openness building domestically as well as externally, North Korea has a wide range of options for selective change open to it. Pyongyang could deliberately choose to adopt tactics for internal change which also amount to offensives directed against the South. Such tactics in the first instance could expose or amplify the differences of opinion now existing among various South Korean domestic groups in regard to their "expectations" or "anticipations" for unification. This might well pay off handsomely for Pyongyang by undercutting those elements originating in the North-South relationship which pressure the North Korean system for real change. Pyongyang may also believe that it can choose tactics for domestic change which will eventually threaten the South Korean system, perhaps even to the extent that Pyongyang can expect the "disintegration of South Korea's anticommunist system," and the fulfillment of a premise of their own basic revolutionary strategy.

Just what choices must we make in response to this basic North Korean policy line? This question is too expansive to be considered in detail in this article, so with the reader's indulgence I will merely offer my own brief opinion on the matter.

Our first choice must be to work to narrow the differences in opinion rife within our own system. Inevitably, the only changes of which the North Korean system is capable for a long time to come—the only changes we will see—are those selective changes that are instituted "from the top" solely for the purpose of preserving the regime. The point for us, then, is that we should approach our own changes on that assumption, and we should approach them with caution but with strict attention to detail. The point for us, I think, is that we need to re-examine our basic views on unification.

North's Economic Structure, Problems Examined

SK1709072990 Seoul SINDONG-A in Korean Sep 90 pp 285-291

[Article by Chong Kap-yong: What's Wrong With Pyongyang's Economy?]

[Text] The openness and reform underway in the socialist camp today has delivered a resounding, unparalleled shock to North Korea. The collapse of the regime in Romania dealt the heaviest blow to Pyongyang. The Romanian regime shared many similarities with the regime in Pyongyang. It was shot through with nepotism, its doors were tightly closed, its rule was stringent, and its head of state was idolized. Two ranking North Korean officials, Prime Minister Yon Hyong-muk and Foreign Minister Kim Yong-nam, visited Bucharest just before Romania collapsed and pledged that the conventional Stalinist system would prevail. Heedless of North Korea's shock and concern, however, the waves of reform have washed over Eastern Europe, are now fully at work in the Soviet Union itself, and portend the collapse of all the socialist nations.

The revolutionary changes in the socialist camp have enabled South Korea to make inroads into Eastern Europe and the Soviet Union, areas which had been off limits economically and politically for decades. The same revolutionary changes, on the other hand, have

increased North Korea's relative isolation. Despite the fact that North Korea understands that reform is necessary to overcome its economic stagnation, Pyongyang is clearly experiencing serious conflict between concern for protecting the regime from the political instability of reform, on the one hand, and a policy of openness on the other.

We must understand the structural peculiarities of North Korea's economic system as well as its achievements if we are to comprehend the conflict and dilemma that face Pyongyang today and entertain any hope for the future of North-South relations. We must also analyze the influence exerted upon the North Korean economy by the Soviet Union and East Europe and consider whether Pyongyang will choose to open, and if so what our own policies should be in response.

Pyongyang's Economy Is Run By Centralized Planning

The nature of the North Korean economic system was clear for all to see when the regime in the North moved at an early moment in its history to implement a Stalinist, planned economy. This system was adopted by the countries of the socialist camp after the end of World War II and was characterized by rejection of private ownership of the means of production and by a centralized planning system under which all decisions regarding the production and exchange of wealth as well as all sales and price-setting were made by government fiat in accord with a broad, centralized plan. The same processes occur in a capitalist economic system, to be sure, but the market itself makes decisions, and the autonomy of the individual is respected. In North Korea, the government is the market.

Centrally-planned economies suffer from a variety of ills, as is widely known, two of the most telling of which stem from the restraint of the profit motive and decreasing economic performance caused by the artificial apportionment of resources in accord with fiats issued by central planners. Eastern European countries have attempted to solve these problems since the early 1960s, adopting reforms like decentralizing economic decision-making and partially reviving the free market. Even China adopted a policy of pragmatism at one time and implemented reforms to allow broader autonomy for industry and to partially reinstate the profit motive. The recent reforms in the socialist camp share a common intention to return to a market economy.

North Korea is the exception. Pyongyang is actually strengthening its system of centralized economic planning, yet the North Korean economy today is the most undecentralized, the most fiat-directed system in the socialist world. The central government and the Workers Party continue absolute control over the economy via central plans and central fiat. For nearly 50 years North Korea has used its planned economy to pursue a basic objective of the regime: "To build an independent national economy through our own efforts alone." I will touch on the structural peculiarities of the economy that have appeared in North Korea during the decades of effort to achieve this objective.

First, North Korea's economic structure is based on heavy industry. This phenomenon appears in all the states of the socialist camp and derives from the logic that swift economic development can be realized by building up heavy industry ahead of other sectors because heavy industry significantly expands the means of production. The logic goes farther, claiming that heavy industry provides the industrial foundation on which light industry and agriculture can develop. In North Korea's case, the planners pushed heavy industry with the conviction that a strong heavy industry would establish the foundation for national economic independence, the primary objective of their chuche philosophy.

The policy succeeded, at least in the early period. Fostering heavy industry in the early stages of development brought real results, and Pyongyang's planners fully believed that they had achieved not only significant growth in heavy industry itself but that they had plowed the field for further economic development in all sectors. North Korea's industrial sector nearly tripled in the 18 years from 1946 to 1964, jumping to 62.3 percent from a meager 23.2. Pyongyang's planners, however, had overdone it. Their single-minded emphasis on heavy industry caused the stagnation of light industry and agriculture and also produced a significant imbalance among industries, seriously crippling the economy and locking the North Korean people into an abysmal standard of living. Moreover, even in the heavy industrial sector itself, Pyongyang had failed to achieve either a revolution in technology or significant gains in productivity. Growth had come largely as an extension of the practice of mobilizing ever larger accumulations of raw labor. The closed nature of the regime led it to eschew trade, a policy which served only to aggravate the increasingly serious problem of technological backwardness. Eventually, the single-minded pursuit of heavy industry resulted in the waste of national resources, the degradation of the standard of living, and the dulling of overall economic growth. The upshot was that even the heavy industry sector stagnated, falling short of the competitiveness necessary in international competition.

Second, as I have already noted, North Korea persisted in the isolationist tendencies common to socialist economic systems. But Pyongyang took it even farther. Alone among the socialist states, North Korea espoused the chuche philosophy, doggedly pursuing "an independent national economy" through "our own efforts alone." Chuche led them to build an economic hermit kingdom, in which they naturally emphasized an inwardly-oriented industrialization strategy rather than an externally-oriented developmental strategy like expanding exports. In point of fact, chuche ideology does not rule out international relations, advocating only that exchanges among nations be conducted smoothly on a foundation of mutual autonomy. In 1975, however, Pyongyang defaulted on foreign debt. From that time onward the North Koreans began to put even more

emphasis on self-sufficiency in an isolated economy, consciously linking this emphasis with chuche ideology. North Korean trade dropped dramatically.

The internally-oriented developmental strategy of mobilizing ever greater labor assets in a closed economy caused a drop in the level of technology and in productivity as well and revealed decisive limits to North Korea's ability to achieve a competitive international economic stance. Although this strategy resulted in swift industrial development, it also blocked introduction of new technology from overseas and ultimately fostered an industry with insufficient strength to compete on the international economy. This is an innate limitation of a closed economy, and was a major element that caused the stagnation of the Soviet and Eastern European economies. Pyongyang would prove to be no exception in this regard. North Korea came to understand this, and beginning in the 1980s showed an inclination to pursue an open policy, passing a law in 1984 that allowed joint-venture investment by foreign industries. So far, however, it has been a case of too little and too late.

The Realities of the North Korean Economy

Examining the North Korean economy in detail is truly like looking through a glass darkly. We encounter restrictions imposed by our own capitalistic viewpoint and by a compulsion to compare the North directly with ourselves. Yet North Korea does not use even a concept so basic to us as GNP, a standard by which international economies can be compared. The closest thing to a GNP in socialist states is the Overall Socialist Production Index, which is not a measure of overall production. Yet North Korea has not announced even the socialist production index since 1965. Another serious problem is the foreign exchange rate. North Korean currency is not subject to market forces in the international foreign exchange markets, and its value has been frozen for many years. Comparative econometrics requires that the target economy be described in a standard, constant currency, usually dollars. Yet we face significant problems when we try to convert North Korea's economic indexes to dollar values.

For these reasons it has become standard econometric practice to avoid expressing economic statistics in terms of sums of currency when comparing nations with radically different economic systems. A common denominator, of sorts, has developed, in which per capita real consumption and real production per capita are expressed in terms of in-kind indexes rather than currency indexes. Yet even here North Korea remains a mystery. No South Korean research organization and no other such organization elsewhere in the world has published in-kind indexes for North Korea. Hungary's World Economic Research Center recently published indexes of virtually all the nations of the socialist camp but excluded North Korea because the Center did not have enough information on Pyongyang's economy. As a result, most evaluations of Pyongyang's economy are based either on conjectural indexes or upon the limited information announced by North Korean officials themselves.

Studies done in and out of South Korea on Pyongyang's economy generally agree that North Korea enjoyed a high rate of economic growth through the mid-1970s. Starting then, however, Seoul's economic strength began to outstrip the North's, and Pyongyang's economy stagnated like those of the other socialist states. The various econometric research organizations show wide differences in their comparisons of the economic strength of Seoul and Pyongyang, but it seems likely that South Korean per capita income is at least twice as high as that of the North, while overall GNP is an enormous five times higher. The lowest estimate for North Korean per capita income suggests that this figure may be under 900 dollars per year.

In 1988, North Korea's trade totaled a meager three billion dollars, and the lion's share of Pyongyang's exports went to the Soviet Union, which received some 50 percent of the total. In its trade with Moscow, North Korea imports mostly oil, petroleum products, machines and equipment, and transport aircraft. Pyongyang exports mainly minerals and raw materials to the Soviet Union. A similar pattern prevails in North Korean trade with China, although the overall volume of this trade seems to have slipped as China increased its trade with the West.

North Korea has suffered a chronic foreign trade deficit. In 1987 the red ink reached 1.5 billion dollars, followed by 1.2 billion in 1988. These are problematic figures over against the relatively small volume of total North Korean trade. Pyongyang's foreign debt, meanwhile, is estimated to be 5.2 billion dollars, of which the amount owed to the Soviet Union is about 1.8 billion.

North Korea's law allowing international joint ventures, passed to help the North solve its international balance of payments problem and to attract Western capital and technology, has been largely ignored in the West. Most of the participation—19 of the total of 36 joint ventures underway in March 1989—comes in the form of small-scale investment from companies associated with Japan's Chochongnyon [General Association of Korean Residents in Japan]. The law has failed to attract the interest of Western industry largely because of the inflexibility of the economic system, unattractive concessionary conditions, and the limited domestic market.

Reforms in Russia and East Europe Affects Pyongyang

Ultimately, the dilemma North Korea faces can be reduced to the economic need for openness clashing with the political need to block threats to the stability of the regime. The socialist states of Eastern Europe have all faced this same dilemma at one time or another.

Foreign trade is the first element that suggests that the North Korean economy has no choice but to open up. Until recently, the socialist camp often exchanged

imports and exports in barter trade or on the basis of inconvertible rubles, methods which avoided hard-currency transactions. Recently, however, the collapse of the socialist camp and the push to open the various socialist countries has resulted in a precipitous drop in soft-currency trade, while trade based on convertible currency has expanded with equal rapidity. As a result, North Korea has been forced to look for new trading partners and to acquire hard currency. But Pyongyang faces serious limitations in its ability to succeed at either of these two approaches because, firstly, acquiring convertible currency at North Korea's present level of economic development is all but impossible, and, secondly, in 1990 it is exceptionally difficult to find trading partners willing to accept exports on a barter basis. With the exception of China, all the socialist states are positively pushing openness and reform, so that North Korea's options for old-style trading partners have diminished even farther.

Barter commerce amounted to about a third of North Korea's total trade until now, but recently sources suggest that even Russia, Pyongyang's chief trading partner, is becoming serious in its demands that its oil exports to the North be paid for with hard currency. The economies of the Soviet Union and Eastern Europe will be driven increasingly by market forces over the next two or three years, tending to place an even higher premium on scarce hard currencies in these nations. This will deal a sharp trade blow to Pyongyang, whose hard-currency reserves are next to nil. Over the years, North Korea has been able to manipulate its closed system to reduce imports to an absolute minimum, but one paradoxical result of this practice is that the North Korean economy now suffers from a pent up and crucial need for imports in various sectors. Unless Pyongyang adopts some kind of openness, the North will find it impossible either to obtain hard currency or to make the change to commercial trade.

A second element that makes openness and reform an absolute necessity can be found in the North Korean economy's own structure. Based on "our own efforts alone" and on "chuche ideology," North Korea has doggedly pursued the objective of creating an independent national economy, maintaining the most closed socialist system in the world in the process. However, their inflexible economic system simply was not up to the task imposed by that objective, as, indeed, the economic experience of the Soviet Union and Eastern Europe also amply demonstrate. Nor will North Korean socialism prove to be an exception. Interreliance becomes more important in the international economic world everyday, and it simply is not possible for a nation to build a modern industrial society in a vacuum. The key objectives of Pyongyang's third seven-year economic plan (1987 to 1993)—improving the economy's technological base and boosting the people's standard of living—cannot be achieved unless North Korea allows openness and reform. A third element is North Korea's relative isolation among the socialist states. As Seoul's relations with the countries of Eastern Europe has improved, Pyongyang's isolation has increased. The future establishment of diplomatic relations between South Korea and the Soviet Union as well as continued reform in the other socialist states will serve only to isolate North Korea even more. Pyongyang has shown signs of attempting to improve its relations with the West recently, but North Korea will find it immensely difficult to overcome her international isolation unless she reforms and opens her system.

Other elements which suggest that Pyongyang must adopt openness follow: To gain a superior position in its competition with Seoul, to promote its national defense industries, to acquire export competitiveness, to improve its level of technology, and to acquire a pool of competent technicians. Pyongyang is presently following a stop-gap policy aimed at minimizing the need to open. The North is strengthening domestically-oriented measures such as conserving resources and boosting productivity, but such stop-gap measures are not sufficient to solve the structural problems of its economy.

Despite the crucial economic necessity for openness and reform, North Korea is proceeding in the direction of shoring up the system, a move that can be understood only on political grounds. The opening of North Korean society will inevitably introduce instability to the regime. We have already witnessed examples of this in Eastern Europe and in China's Tiananmen Square. Despite the crucial necessity of an openness policy from an economic viewpoint, North Korea cannot bring itself to adopt that policy because of concern about regime stability.

Change in North Korea, then, will be determined by the outcome of a clash between elements which promote openness and elements which retard it. In other words, the extent of openness and reform in North Korea will be decided when an accommodation is struck between the sharp political arguments opposing change and the equally sharp economic arguments supporting it. So far political arguments have carried the day in the decision-making process in Pyongyang, suggesting a high possibility that the North Korean leadership will regard regime stability as most crucial and resign themselves to the fate of economic stagnation. We can estimate the outlook for change in the North by adapting lessons learned from the process of reform in the Soviet Union and Eastern Europe to North Korea's particular situation. That outlook follows.

How Will the North Korean Economy Change?

The first possibility is also the most likely. The possibility is high that the North Koreans will pursue a policy of minimal openness, opening just to that degree that will not trigger regime instability but will put hard currency in their pockets. Even if economic stagnation continues for some time to come, the strategy likely will be to place the highest priority on regime stability, limit popular dissatisfaction by tightening control of public

information, continue operating the economy on the basis of "our own efforts alone," and allow only minimal opening.

This model for reform was tried in the 1960s in Eastern Europe and is cut from the same bolt as Hungary's new economic mechanisms or Yugoslavia's independent management policy. However, the previous experience with this model showed that it amounted to partial reform from which long-term results cannot be expected and despite which the system's structural contradictions remain intact. The North Koreans, nonetheless, are most likely to follow this model, down playing openness for the sake of regime security even at the cost of sacrificing their economy and the social welfare of their people. Under this model, Pyongyang might adopt such policies as adding attractive features to its foreign joint venture law or allowing only that degree of openness that would not undercut the regime's control of public information.

As a second possibility, Pyongyang could opt to undertake a basic reform of its economic system. Pyongyang could evaluate the results of reform in the Soviet Union and Eastern Europe, bend to pressure from the socialist camp to open, and expedite reform by deliberately inculcating a free-market system. Such a decision would accommodate the decisive influence Pyongyang feels from Moscow's pressure and Beijing's reform policies. Even North Korea will have no choice but try this reform model if Pyongyang's economy continues to degenerate until it reaches the point of national collapse.

Pyongyang's third possibility is a sudden reform of the type that overtook Hungary. This is, of course, merely a possibility and cannot be anticipated on logical grounds, but neither can it be ruled out completely. As much as anything else, some of the recent changes in Eastern Europe were fueled by unexpected political changes, and many of these changes simply were not susceptible to logical forecast. Even cutting off information to the North Korean people, no matter how completely that is accomplished, cannot rule out completely the possibility of an unexpected incident.

The most likely model for reform in North Korea is to push openness and reform only in a negative way, only for a short time, and only to the extent that regime stability is not threatened. Quite irrespective of the shape of possible reform, however, it is crystal clear that the later openness and reform come to the North, the greater will be the rate of economic stagnation. Thus, even a policy of partial, short-term openness could lead eventually to full-blown openness.

The future of the North-South relationship depends on North Korea's choice on the matter of reform. For our part, we need a long-term strategy to deal with the various possibilities for North Korean openness, if for no other reason than the possibility that we may some day need to unify our economy with that of the North. We urgently need to pursue basic tasks which have remained taboo for too many years, tasks like the concentrated study of socialist economics, like deciding what kind of economy to adopt after reunification, and like analyzing how to change a planned economy into a market-driven one.

A key conclusion established in the process of normalizing our relations with the Soviet Union and Eastern Europe was that our own continuous economic development and credit-worthiness in the international economic world were a shortcut to motivate the socialist states to accept our cooperation. This was proved again in our relations with East Germany, and the fact is that it applies to all socialist countries without exception. Even in our relations with North Korea, then, in the long run the most decisive element will prove to be our own economic strength and our international credit worthiness.

Unification Minister Briefs Assembly on Talks

SK1809090890 Seoul YONHAP in English 0852 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (OANA-YONHAP)—National Unification Minister Hong Song-chol said Tuesday that South and North Korea may near agreement in the second round of prime ministers' talks on the South's eight-point proposal for comprehensively improving inter-Korean relations and the North's three principles.

Hong told the National Assembly panel for unification policy that the second round of the talks on Oct. 16-19 in Pyongyang will help narrow gaps between the South and North even though they are not expected to make substantial progress. The minister declined to elaborate.

The eight-point draft agreement the South presented in the first round of the talks in Seoul early this month includes mutual respect for and recognition of each other's governments, renunciation of slandering and vilification, building military confidence and reducing arms, abandoning any attempts to sabotage or overthrow each other and resolving disputes and differences through dialogue and negotiations.

The three-point North Korean proposal, also made during the first round of talks, called for both sides to declare their willingness to abide by the three principles of unification articulated in the July 4, 1974, South-North joint communique and to pursue inter-Korean relations and exchange in accordance with common interests.

On U.N. membership, Seoul's top unification official hinted the South may seek a unilateral conclusion to the matter if the two sides fail to reach a compromise in talks, the first round of which took place on Tuesday [18 Sep] at the truce village of Panmunjom under an agreement reached during the prime ministers' talks.

"The working-level contacts to discuss the U.N. issue should not last indefinitely...," Hong said, adding that

the South may take a unilateral step if the talks fail to yield a conclusion in a certain period of time.

Hong also said the South is drawing up plans for reuniting separated families, most split during the 1950-1953 Korean war, that include establishment of a meeting place in the border village of Panmunjom.

On press reports that North Korean leader Kim Il-song made a clandestine visit to China last week, Hong said he could not confirm the trip.

"If Kim visited China, I guess that he might have discussed with Chinese leaders such pending issues as Sino-North Korea relations in connection with the 11th Asian Games in Beijing, the inter-Korean prime ministers' talks and Soviet Foreign Minister Eduard Shevardnadze's visit to Pyongyang," he said.

Hong also said the South welcomes North Korean moves to improve ties with the United States and Japan, but added that they should contribute to inter-Korean relations.

DPRK's UN Membership Proposal Rejected

SK1809065490 Seoul YONHAP in English 0645 GMT 18 Sep 90

[Text] Panmunjom, Korea, Sept. 18 (OANA-YONHAP)—North Korea called Tuesday for the two halves of Korea to jointly apply for a single U.N. seat this year, but South Korea rejected the proposal as unrealistic, unrealizable and counter to international law and practice and renewed its call for simultaneous entry to the world body.

South Korea hinted, however, that it might review the northern proposal at its leisure.

The two sides were holding working-level talks at the truce village of Panmunjom to discuss U.N. membership under an agreement reached by the prime ministers of South and North Korea early this month in Seoul.

The session was attended by Yim Tong-won, chancellor of the South Korean Foreign Ministry's Institute for Foreign Affairs and National Security, and Ambassador-At-Large Choe U-chin of North Korea, both delegates to the prime ministers' talks.

Choe said South and North Korea should join the United Nations as a single member or assume the right to represent Korea alternately for a month or more.

He also proposed that the South and North jointly exercise the voting right in the United Nations on matters they agreed on and abstain on matters they disagree on.

The right to address a session of the United Nations can be allocated to one of the two sides under an agreement and the other side can be allowed to make an additional speech, Choe said.

Both sides can use the name "Korea" and a flag with a blue emblem symbolizing the map of Korea on a white ground if they share a single seat, Choe said.

He suggested both sides take joint steps in performing their duties in the United Nations or respectively cope with the matter within the limits of not doing harm to each other's interest.

In a keynote speech to the meeting, Choe said if the North and South simultaneously enter the United Nations with separate seats it could hamper unification of the Korean peninsula and legalize the nation's division.

The U.N. issue was one of two matters the South and the North agreed to further discuss when their prime ministers met in Seoul for the first round of high-level inter-Korean talks. The other is reuniting families split during the 1950-1953 Korean war.

"It is natural for both sides to join the United Nations in a unified state, but if they must enter before unification they should share a single seat so as to help accomplish the grand task of unification," Choe said.

Yim replied that the South was convinced that simultaneous admission to the United Nations could advance the cause of unification and ensure international peace and stability.

"Our position is that both sides should simultaneously join the United Nations as a temporary step until unification is realized," he said.

Citing the cases of North and South Yemen, and East and West Germany, Yim said it was unrealistic of North Korea to claim that simultaneous entry would perpetuate and legalize the division.

Yim also dismissed as unrealizable the North's proposal that both sides exercise the right to address the United Nations in accordance with an agreement.

"Considering the reality that both sides have hardly reached agreement even on trivial matters, such as exchanges of people and mail, since their division 45 years ago, the proposal is unrealizable and unrealistic," Yim said.

Yim said in a separate news conference after the meeting that the South and North were not expected to strike a compromise on the U.N. issue as the North presented unrealistic proposals but the South would review the proposals without being restricted by time.

"The North's proposals cannot be realized as they run counter to international law and rules," Yim said.

But in his news conference, Choe said he expected the South to come up with a compromise the two sides can agree on in the next round of talks.

Seoul had long said it would seek unilateral U.N. membership if the North continued to refuse simultaneous

entry, but retreated in the prime ministers' talks, during which the North placed top priority on blocking the South's move for unilateral entry, and agreed to discuss the matter separately.

The two sides agreed to set the date for the second round of talks through contacts between their liaison officers.

Denuclearization of Korean Peninsula Urged

SK1809082590 Seoul CHOSON ILBO in Korean 16 Sep 90 p 3

[Editorial: "Converting the Korean Peninsula into a Nuclear-Free Zone"]

[Text] Once again the nuclear danger in our country has come into question. Mankind's first realization of the formidable force of the nuclear threat came after an atomic bomb was dropped in Hiroshima, Japan, on 6 August 1945. Since then formidable nuclear might, however, has ironically been used as a means of keeping peace by deterring war.

As a result, the world has remained divided between people who excessively emphasized only one side of the truth. Sir Bertrand Russell, who during the fifties and sixties was the symbol of human conscience and was believed to be the highest intellectual, insisted on completely abolishing nuclear weapons; whereas Sidney Hook, U.S. pragmatist, was very emphatic about the role and function of nuclear weapons as a deterrence to war.

The government has recently called on North Korea to sign the nuclear safeguards accord through the voice of leaders of Japanese political parties, and the Japanese government is also reported to have expressed concern about the threat posed by North Korea's nuclear capabilities at the Soviet-Japanese foreign ministers' talks. North Korea's nuclear threat as such has begun drawing our attention after North Korea refused to sign the nuclear safeguard accord during the International Atomic Energy Agency [IAEA] conference held last September in Vienna, linking it to the issue of converting the Korean peninsula into a nuclear-free zone. In particular, there have been several reports saying that North Korea seems to have facilities capable of producing nuclear bombs in Yongbyon, North Pyongan Province. It is true that North Korea has been using the combination of the existence of nuclear facilities, its refusal to sign nuclear safeguards accord, and its call for converting the Korean peninsula into a nuclear-free zone as a trump card in negotiations with South Korea over the withdrawal of U.S. troops and nuclear weapons from South Korea.

In spite of all this, North Korea tries to make the presence of nuclear weapons in South Korea, an assumption based on weak, unverified circumstances, a precondition for its possession of nuclear capabilities, arguing that it should have nuclear weapons to counter what it claims is nuclear weapons deployment in South Korea. This is an expression of an unnecessary pride and a sense of independence as childish as the fretful attempt our country once made to develop nuclear weapons as part of self-reliant defense effort to cope with the withdrawal of U.S. ground forces.

Therefore, taking this opportunity, we would like to urge the personages concerned from both the North and South of Korea to declare denuclearization of the Korean peninsula as the first step for relaxation of tension in this district. Denuclearization of not only the Korean peninsula but also China, Siberia, and the Japanese Islands is desirable. North Korea should sign a nuclear safeguards accord. It may be feasible for us to demand that the U.S. Administration withdraw nuclear weapons from South Korea before withdrawal of U.S. troops.

Needless to say, we are not in the position of underestimating the dreadful killing and injuring power of conventional weapons out of excessive fear of the horrible total lethal capabilities of nuclear weapons. It is our hope that withdrawal of nuclear weapons would work as a symbolic act of and as the first step for withdrawing and abolishing all weapons. Humankind, under a common cognition that chemical, biological, and radiological weapons are the most dreadful lethal weapons, made every effort to restrict the use of these weapons because they have indiscriminate mass killing and injuring capabilities compared to conventional weapons.

Although we are pursuing reunification as the supreme task, we do not want to use dependence on mass lethal weapons as a reunification method. We think that there is no reason why both North and South cannot reach an agreement on this point. However, the allegation that if only nuclear weapons were pulled out, all problems would be solved is not correct. On the other hand, one should not increase conventional weapons on the pretext of withdrawing nuclear weapons. We maintain that not only nuclear weapons but also factors justifying the use of nuclear weapons as a deterrent power should be equally removed.

North Envoy Hints About Renewed Sports Talks

SK1809011790 Seoul YONHAP in English 0040 GMT 18 Sep 90

[Text] Beijing, Sept. 18 (YONHAP)—Kim Hyong-chin, vice chairman of the North Korean Olympic Committee, said Monday he was willing to meet with Chang Chung-sik, chief of mission of the South Korean contingent to the Beijing Asian Games, and other sports leaders from South Korea.

Kim's remarks, made in a telephone interview with YONHAP News Agency, suggest North Korea is ready to reopen the inter-Korean sports talks, designed to form a single Korean team for the Asiad, that were ruptured seven months ago.

Kim, chief North Korean delegate to the aborted talks, said he would be positive in trying to meet with sports

figures from South Korea. He is here to attend a scientific-academic congress for the Asian games.

"The sooner the better for sports figures from North and South Korea to meet," Kim said, indicating he may meet with Chang, his southern counterpart in the suspended sports talks, on Tuesday.

DPRK Reporters Deny Kim Il-song's China Trip

SK1809083990 Seoul YONHAP in English 0822 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP) —It was reunion time for the press on Tuesday morning at the truce village of Panmunjom when many of the same journalists who covered the inter-Korean premiers' talks in Seoul met again to cover the South-North working-level meeting on U.N. membership.

The North Koreans were reticent on reports that President Kim Il-song made a secret visit to China, saying they thought he was in Pyongyang all along.

When asked why the North sent condolences instead of relief goods for flood victims in the South, one journalist bluntly said, "There is no need to take the initiative when the receiving side does not even open its hands."

Unviversity Student Sentiment on U.S. Measured

SK1809075890 Seoul CHOSON ILBO in Korean 17 Sep 90 p 14

[Text] It has been determined that our country's university students' perception of the United States is not one-sided anti-U.S. sentiment to "bring an end to all relations with the United States," but a very strong practical perception of "the need to have friendly relations based on national interest."

It has been learned that the students also think that the United States is a "hateful country" that is most responsible for the division of the fatherland; that it is interfering in internal affairs; and that it has transplanted its decadent popular culture. At the same time, they think that the United States should be "thanked" because it is our important export market; and because it helped our country to achieve modernization, and academic and technological developments.

This was revealed in a survey on "the structure and content of anti-U.S. sentiment of university students," taken last July with 500 students in all, 100 students each from Seoul National University, Yonsei University, Koryo University, Songgyungwan University, and Ehwa Women's University. This survey was taken by the Modern Research Institute, which was commissioned by Yonsei University's academic quarterly, "Truth and Freedom."

In this survey, 6.2 percent of the students said that the United States was "a country which gave a good impression," while 53.2 percent said that it gave a "bad impression."

Also, in relation to the U.S. intervention during the Kwangju democratic movement, which is an important source of anti-U.S. sentiment within Korea, only 1.8 percent of the students said that the United States "did not intervene," while an overwhelming 75.6 percent of the students said that the United States "interfered." Also in relation to how deeply the United States intervened, 44.8 percent said that the United States "gave tacit permission even though they knew in advance," and 15.6 percent said that "the United States helped." Therefore, one can say that, rather than pressing to ascertain who is responsible for carrying out what acts, the moral and symbolic significance of the involvement is greater.

Also with regard to the influence of the United States toward our country, 74.8 percent of the students said that the United States is "interfering in internal affairs," 84.2 percent said that the United States is "a barrier to North-South reunification," and 89.9 percent said that our country imported "decadent culture" from the United States. On the other hand, 59.3 percent said that the United States contributed to "promoting modernization," 52.6 percent said that the United States helped in "developing education," and 59.9 percent said that the United States helped in "developing technology." The percentage of students saying that they felt positive influence was higher.

When students were asked what they thought about the military capability of the North and South, aside from the fighting power of the U.S. troops stationed in Korea, 47.7 percent said that "North Korea is superior," while 23.2 percent said that "South Korea is superior." On the other hand, when including the U.S. troops stationed in Korea, 5.9 percent said that "North Korea is superior," while an overwhelming 62.6 percent said that "South Korea is superior." This showed that the U.S. troops stationed in Korea are regarded as an important element in the balance of military power.

On the issue of withdrawing U.S. troops from Korea, 49.1 percent said that "it is in reality unreasonable to immediately withdraw U.S. troops," while 39.6 percent said that "it is all right to immediately withdraw U.S. troops."

On the issue of pressure to open up the import market which is regarded as another source of anti-U.S. sentiment in Korea, 31.7 percent said that "it is okay for the U.S. side to pressure Korea to open up the import market," while 50.6 percent criticized it as "unreasonable demands."

Pak Chong-son, head of the Modern Research Institute, which carried out this survey, said, "As a result of this survey, it has been learned that most of the students have a balanced view toward the United States, which is a

different view from some older generations, who worry over the fact that students unconditionally regard the United States with hostility." He also said, "The survey has limits, because the number of those surveyed was small, but there was not much difference in their responses regardless of grade or major. Therefore, it seems that it will not be unreasonable to see this survey as reflecting the opinion of all the students."

Ambassador to U.S. Comments on Gulf Aid

SK1809023990 Seoul YONHAP in English 0220 GMT 18 Sep 90

[Text] Washington, Sept. 17 (OANA-YONHAP)—Park Tong-chin, the South Korean ambassador to the United States, said Monday his government will soon respond to a U.S. request for aid for operation Desert Shield in the Gulf, but hinted the amount offered may fall far short of the request.

Pak told Korean correspondents in Washington that the United States had asked for more than 450 million U.S. dollars to share the cost of stationing troops in the Gulf and the government will soon decide how much it can afford to give.

"The concrete amount of assistance is up to our government," he said, but added that the aid will cover cash, materials and services.

The request was made to President No Tae-u when U.S. Treasury Secretary Nicholas Brady visited Seoul on Sept. 7.

The U.S. Administration asked the Korean Government for 50 million dollars in cash and 100 million dollars in materials and services this year, and 60 million dollars in cash and 240 million dollars in materials and services next year, a diplomatic source said.

According to reports in Seoul, the Korean Government may offer 100 million to 150 million dollars in non-lethal materials and services, citing the hefty burden of its own defense and economic slowdown.

The scale and timing of the assistance may be linked with the massive flood that battered Seoul and central parts of Korea last week, the source said.

As for joining the United Nations, the ambassador said Seoul has yet to decide whether to apply for membership this year.

Under an agreement in the inter-Korean prime ministers' talks in early September, South and North Korea were to discuss the U.N. membership issue Tuesday at the truce village of Panmunjom.

South Korea has said it will seek unilateral admission to the United Nations if the North continues refusing to enter the world body simultaneously. The North contends that both parts of Korea, divided at the end of World War II, should share a single seat in the United Nations.

More on Aid for Gulf Deployment

SK1809060190 Seoul YONHAP in English 0547 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—The South Korean Government will set aside nearly 100 billion won (150 million U.S. dollars) in this year's supplementary budget, in response to a U.S. request to chip in, to share the cost of the military buildup in the Persian Gulf, an official said Tuesday.

He said the plan was mapped out in a meeting attended by Deputy Prime Minister Yi Sung-yun, National Security Planning Director So Tong-kwon, Foreign Minister Choe Ho-chung, Chief Presidential Secretary No Chae-pong and Presidential Secretary for Economic Affairs Kim Chong-in Tuesday.

During the meeting, it was agreed that the government cannot accept the U.S. call for 450 million dollars in light of Korea's current economic difficulties and flood damage.

The U.S. Administration has asked for 450 million dollars in cash, materials and service for the defense of the Middle East, sending Treasury Secretary Nicholas Brady to Seoul on Sept. 6.

Implications of Trade, Aviation Pacts Discussed

SK1809000990 Seoul THE KOREA TIMES in English 18 Sep 90 p 6

[Editorial: "Initialing of ROK-Soviet Trade Pact"]

[Text] The initialing last Friday of trade and civil air pacts between Seoul and Moscow is of great significance in that it means the two countries, which have yet to establish diplomatic ties, have virtually agreed to provide most-favored treatment in bilateral trade as formal trade partners.

This is regarded as marking an epoch-making chapter in the two nations' relations as the proposed conclusion of trade and other bilateral treaties is based on the precondition that their full diplomatic ties be established within the year, possibly in November.

Latest news reports have it that Foreign Minister Choe Ho-chung and his Soviet counterpart Shevardnadze are likely to jointly announce the formal schedule for establishing diplomatic relations in their meeting around Sept. 26 at the United Nations in New York.

The trade and aviation pacts already initialed are among the six accords which the two countries plan to sign before the establishment of diplomatic ties for the expansion of trade and economic exchanges. Of the remaining four pacts, an agreement on science and technology is

expected to be initialed between Sept. 23-25 in Moscow, while another on investment guarantees is likely to be signed in Seoul on Oct. 4. The other two pacts to be concluded between the two nations are on avoidance of double taxation and cooperation in fisheries.

The two countries engaged in indirect trade amounting to nearly $600 million last year, but they have had to undergo discriminatory treatment in two-way trade, due to the lack of a trade pact providing most-favored treatment. However, under the trade accord, if it is put into effect by formal signing, Korea and the Soviet Union will also provide most-favored benefits concerning housing, communications and other living conditions to each other's business branches and their staff members.

Negotiators from the two governments were first at odds over the Soviet proposal to include provisions for the establishment of mutual trade representative offices in the trade pact even prior to diplomatic normalization. Our position was to worry about the likelihood that Moscow would slow down the establishment of full diplomatic ties with Seoul if this bid was accepted. Finally both sides agreed to set up trade offices in connection with diplomatic normalization, in addition to the agreement to strengthen the function of the joint trade commission in response to the Soviet bid to that effect to attract small-medium sized investment, in particular, from Korea.

When signed formally, the aviation agreement will legally back up the bilateral accord signed last February by Korean Air (KAL) and Aeroflot of the Soviet Union on commercial air services.

These pacts will be the first agreements between the two countries since the 1884 Treaty of Friendship and Commerce was annulled in 1904, or 86 years ago, under mounting Japanese influence which eventually led to the forced annexation of Korea and the start of colonial rule here.

More recently, the Soviet Union opened its commercial office in Seoul in April last year while the Korea Foreign Trade Association set up its office in Moscow. Later in February and March the two governments also opened their respective "consular departments" in each other country's capital, the first government missions.

The two-way trade between the two countries began with a volume amounting to only $30 million in 1981. The bilateral trade has ever since grown with a trade surplus in favor of the Soviet Union in most years. This year the trade volume between the two nations is expected to exceed the $700 million figure to register a trade surplus for Korea as a result of the Soviet import of manufactured daily necessities from Korea in large quantities.

All told, the Soviet Union will be the sixth socialist country to conclude trade and other pacts with our country, after Hungary, Poland, Romania, Czechoslovakia and Bulgaria.

On the other hand, it is distressing to see no tangible progress in improving relations with Beijing since the Tiananmen massacre in June, 1989. It is our hope that Seoul-Beijing ties will be improved on a reciprocal basis as early as possible as momentum to accelerate improvement of inter-Korea relations toward the eventual reunification of the divided country.

Government, Soviets To Establish Trade Body

SK1809021790 Seoul YONHAP in English 0208 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—South Korea and the Soviet Union have agreed to establish a joint committee to promote bilateral trade, Assistant Trade and Industry Minister Sin Guk-hwan said Monday.

Sin told reporters that the committee, headed by a minister-level official from both governments, will begin to function next month.

"Economic cooperation with the Soviet Union, which has been taken care of by economic organizations such as the Korea Trade Promotion Corp. and Korea Trade Association, will be controlled by the Trade and Industry Ministry," Sin said.

The government made the change to prevent excessive competition between Korean businesses in the Soviet Union and to ensure bilateral trade relations take root within two or three years, he said.

Annual meetings of the joint committee will alternate between Seoul and Moscow, and Korea has invited the Soviet minister for foreign economic relations to the first conference, Sin said.

Seoul and Moscow recently initialed a trade agreement that includes giving each other most-favored nation status.

Soviet Delegation To Arrive in Late Oct

SK1809011390 Seoul YONHAP in English 0035 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—A Soviet Government delegation led by Yuriy Maslyukov, deputy prime minister for economic affairs, will visit South Korea around Oct. 20, government sources said Tuesday.

The Soviets will conclude six agreements with Korean officials and will determine the content and size of bilateral cooperation in the economic sector. The six pacts are on investment guarantees, avoidance of double taxation and cooperation in the trade, aviation, science-technology, and fisheries fields.

The Soviet and Korean officials will also draw up an agreement on the exchange of trade offices in Seoul and Moscow, and will discuss preparations for the establishment of diplomatic relations.

It was agreed to seek diplomatic relations along with economic cooperation when a Korean Government delegation led by Chief Presidential Adviser for Economic Affairs Kim Chong-in visited Moscow in early August.

The sources said the two countries would enter virtual formal ties even in the absence of diplomatic relations, once the six agreements are signed.

Former Soviet Coach To Train Olympic Boxers

SK1409092290 Seoul YONHAP in English 0829 GMT 14 Sep 90

[Text] Seoul, Sept. 14 (YONHAP)—Yuri Choe, former coach for Soviet Union's national boxing team, will be teaching the South Korean amateur boxers preparing for the 1992 Olympics in Barcelona.

Choe, a second-generation Korean, will serve as the head coach to the Korea Amateur Boxing Federation for one year starting January next year. The 42-year-old expert will bring his know-how on Soviet-style boxing techniques to Korean athletes competing in the 1992 Olympics, a federation spokesman said.

Choe will receive free room and board and approximately 3,000 U.S. dollars per month.

Vietnamese Trade Mission To Visit Seoul

SK1809074290 Seoul YONHAP in English 0730 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—A Vietnamese Government trade mission flies into Seoul on Sunday for a weeklong visit, the first by a government delegation since 1975.

The mission will discuss exchanging trade offices in Seoul and Hanoi with the state-run Korea Trade Promotion Corp. on Sept. 24.

The nine-member delegation is led by Pran Duc Nguyen, a top economic adviser of the State Planning Committee, and comprises government economists and university deans.

The Vietnamese will discuss ways to boost trade and investment with the Korea Chamber of Commerce and Industry and with business groups such as Samsung, Daewoo, Hyundai, Lucky-Goldstar and Sunkyong.

Fifteen Korean firms had applied to invest some 40 million U.S. dollars in Vietnam as of the end of July despite an absence of diplomatic relations, according to the International Private Economic Council of Korea.

Canadian Foreign Minister Due for Visit

SK1809113090 Seoul YONHAP in English 1118 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—Canadian Foreign Minister Charles Joseph Clark will arrive in Seoul Wednesday on a two-day visit at the invitation of his South Korean counterpart, Choe Ho-chung, a spokesman for the Foreign Ministry here said.

During his stay in Korea, Clark will pay a courtesy call on President No Tae-u at Chongwadae as well as have talks with Choe to discuss ways to further promote friendly relations between Ottawa and Seoul.

The two foreign ministers are expected to exchange views on various issues of common concern, including the Gulf crisis and improved cooperation among nations in the Asia-Pacific region.

Clark and Choe will sign a memorandum of understanding on Korea-Canada cultural cooperation before leaving here on Thursday afternoon, the spokesman said.

Pak Chol-on To Attend Asian Games in Beijing

SK1809085090 Seoul YONHAP in English 0823 GMT 18 Sep 90

[Text] Former First State Minister for Political Affairs Pak Chol-on, in what many see as an unusual personal drive, is grabbing every chance to speak in public since his return from the Soviet Union.

Pak, a close aide to President No Tae-u even since he left the Cabinet, spoke on South Korea's northward politics to leaders of financial institutes on Saturday, and will speak on Wednesday at a seminar held by the Korean business management association.

He also held an impromptu discussion with youngsters he came across on his way back to Seoul from Kwangju City on Monday. Pak will leave for China on Friday to attend the Asian Games and is due back at the end of the month.

Athletes Arrive for Asian Games

SK1809090090 Seoul YONHAP in English 0837 GMT 18 Sep 90

[Text] Beijing, Sept. 18 (YONHAP)—South Korea's main party of 371 athletes arrived in Beijing at noon on Tuesday to participate in the 11th Asian Games on Sept. 22-Oct. 7.

The athletes, disembarking after a two-hour flight from Seoul, were greeted by officials of the Beijing Asian Games Organizing Committee (BAGOC) and Korean wellwishers.

A group of 62 athletes arrived on Saturday and the remaining 262 will be here by Sept. 30, Korean sports officials said.

The group was headed by the leader of the 695-member Beijing games team, Chang Chung-sik, and vice leader Kim Song-chip, who said at the airport that the South Koreans would try to achieve second place after China.

He said they had undergone fierce collective training for 22 months to achieve that goal.

The Korean athletes were driven in buses provided by BAGOC to the athletes' village. There will be an official arrival ceremony at the flag plaza on Wednesday morning.

Some 136 athletes and officials from North Korea also arrived at the airport in the morning and were greeted by BAGOC officials and embassy staff. They were members of the basketball, volleyball, badminton, wrestling and swimming teams.

A total of 608 North Korean athletes are to participate in the Asiad.

Church Official Meets China's Wu Xueqian

SK1809084090 Seoul YONHAP in English 0819 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—Pak Po-hui, the No. 2 man in the Unification Church, has shocked South Korean Government officials with the news that he had a lengthy talk with Chinese Vice Premier Wu Xueqian in Beijing Monday.

Chinese leaders had refused to meet with prominent South Koreans, including presidential economic adviser Kim Chong-in and Kim Pok-tong, President No Tae-u's brother-in-law, when they were in the Chinese capital recently.

XINHUA news agency, in a brief report on the meeting, emphasized that Pak had come not as a South Korean but as a citizen of the United States and seemed to be trying to cool the rivalry between South and North Korea, which are both trying to woo China.

Government leaders in Seoul said they were surprised at the apparent closeness between China and the Unification Church, led by the Rev. Moon Sun-myung. Other Unification Church officials, all ranking within the top 10 in power order, have visited Beijing within the last few days.

Romania Signs Shipping Cooperation Agreement

SK1809001190 Seoul THE KOREA TIMES in English 18 Sep 90 p 8

[Text] The Korean Register of Shipping (KR) has signed a contract on mutual cooperation in business with the Romanian Register of Shipping (RNR), effective Sept. 13, the Korea Maritime and Port Administration said yesterday.

The two ship classification bodies will be able to entrust inspection of ships, ship equipment, containers and general machinery to each other in accordance with the agreement, a spokesman said.

Last year, KR also signed a similar agreement with the Soviet Union.

The RNR brings to 15 the number of foreign ship classification societies.

Part-Korean Consortium Hits Oil in Ecuador

SK1709095590 Seoul YONHAP in English 0859 GMT 17 Sep 90

[Text] Seoul, Sept. 17 (YONHAP)—An international consortium that includes two South Korean firms has hit oil in a mountainous region in Ecuador, a spokesman for the Energy and Resources Ministry said on Monday.

Kyungin Energy Co. and the Petroleum Development Corp. (PEDCO) of Korea and Union Oil of California (Unocal) struck oil in the P-10 structure in the No. 13 subzone, 250 kilometers southeast of Quito, the capital of the South American nation, he said.

They found a 19-meter-deep oil layer after sinking a 4,072-meter bore between June 1 and Sept. 8, he said.

Kyungin and Pedco have stakes of 18.75 percent and 6.25 percent, respectively, Unocal has 50 percent, U.S. Union Pacific 15 percent and Nedlloyd Energy of Holland 10 percent.

Paper Says Economy on 'Edge of a Deep Abyss'

SK1809010590 Seoul THE KOREA TIMES in English 18 Sep 90 p 8

[Article by assitsant Economic Editor Pak Chang-seok]

[Text] From all the signs emerging both at home and abroad, the Korean economy appears to be on the edge of a deep abyss. The stormy upheavals affecting international order and challenges presented by domestic problems combine to dim the prospect for the Korean economy. Skyrocketing oil prices, the Uruguay Round multilateral trade negotiations, a move for restructuring of world trade blocs, and structural weakness in the national economy present new obstacles troubling Korea's economy.

Most precarious is the Persian Gulf conflict. Despite both sides' aspiration for a peaceful exit from the crisis, neither seemed ready to give way on their basic demands. War could erupt in the Gulf. World crude oil prices soared over the weekend, trading higher than 33 U.S. dollars per barrel after Iraqi troops burst into the Kuwaiti residences of foreign diplomatic missions.

Recently, there have been much talk about the impact of the oil crunch arising from the Gulf confrontation. True, Korea has been frequently referred to as a sample country that may be hit hard by the oil shock. The Economist, a weekly news magazine published in London, has recently tapped Korea as the fourth weakest state next to Turkey, Czechoslovakia, and the Republic of South Africa in terms of capability in coping with the high oil prices.

A similar analysis was presented by the Japanese Nomura Research Institute, warning that South Korea and Taiwan

are most likely to be hit hardest because of their energy-intensive industries. It even forecast that the two forerunners among the four Newly Industrialized Countries (NICs) are likely to head toward a recession next year if crude oil prices go above 25 dollars a barrel.

No doubt, balooning petroleum prices risk sparking inflation. The government's target for inflatiion for this year is 9 percent. But, price hikes rates were already beyond 8.1 percent as of the end of August. In particular, bringing runaway inflation under control may be difficult owing to the latest torrential rains that pounded Seoul and its neighboring provinces. The heavy downpours have already resulted in steep hikes in prices of vegetables and construction materials.

The massive release of money under the bloated state budget, some of it for political motivation, will undisputably constitute a major threat to keeping inflation at a unmanageable level.

Another major threat is the settlement of the Uruguay Round global negotiations for freer trade, scheduled for the end of this year. By most accounts, Korea is doomed to suffer serious setbacks to the viability of its economy in case negotiating countries decide on full libealization of agricultural imports and government-sponsored farm subsidies.

Despite its rapid industrial development, few deny agriculture is still the lifeline of the Korean economy and Korea is a major food importer along with Japan. In this view, any impact from the settlement of the Uruguay Round talks may be disastrous.

On top of this, Korea will have to weather the coming storms stemming from the realignment of world trade zones into three major powerful blocs. A move toward the creation of a single economic market with the 12-nation European Community could leave Asian and Pacific-rim economies in the dark. Economists view that a new economic game would be in favor of the Europeans after the integration of the common market, scheduled for 1993. Some make a hasty judgment that the Pacific-rim nations would no longer be a clear economic winner.

The fragility of the American economy is deemed as a crucial factor discouraging the national economy since the latter heavily relies on Americans to buy its goods. The U.S. economy is teetering along the edge of a recession with some viewing that it has just started and rising oil prices promise even slower growth.

Apart from the gloomy external milieu, internal circumstances are also dim and dismal. Exports are lagging, stock markets are bearish, and prices are booming.

In particular, the prospects for exports are further turning from bad to worse due to the floods, the worst in 65 years. An interim tally shows that 447 industrial businesses suffered damages from the heavy rains and production losses were about 28.93 billion won (40.46 million dollars). And, the substantial losses are expected to mount.

The transition occurring internally and externally is certain to traumatize the Korean economy, experts say.

At this critical juncture, an extensive review and retouching of the nation's socio-economic development programs is in order.

In the midst of economic turbulences, the Economic Planning Board (EPB) came up with a new rosy five-year economic development plan, predicting that per capita Gross National Product (GNP) will be 10,050 dollars in 1996. It is good news for the people. But, some pessimistic economists fear that such an optimistic prediction may turn out to be just a mirage, taking into consideration the onrushing challenges facing the nation.

The most urgent task the country should tackle at the moment is to put the national economy back on right track. The key to the attainment of steady economic development is political and social stability and revival of the people's hard-working attitude.

Awakened to the stark reality, all politicians are advised to stop their political strife purely intended for the cause of pursuing their interest at the people's sacrifice.

Government, DLP Finish 1991 Budget Proposal

SK1809020790 Seoul YONHAP in English 0155 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—The government and ruling party reached agreement on a budget for fiscal 1991 of 27.19 trillion won (38.03 billion U.S. dollars) Monday, an increase of 19.8 percent from 1990.

The budget bill, finalized in a high-level consultative meeting of government and Democratic Liberal Party (DLP) officials, is expected to be approved by the Cabinet Thursday and will be submitted to the National Assembly for approval late this month, a government official said.

The meeting also finalized a revision to the tax law that features a reduction of income tax for salaried workers.

The budget bill contains 7.75 trillion won (10.84 billion dollars) for defense, up 12.9 percent from this year, and an average 12.7 percent pay raise for civil servants, according to the official. Defense spending accounts for 28.5 percent of the total budget.

The defense budget triggered bitter controversy as the Economic Planning Board set the increase at 10 percent, partly reflecting moves for inter-Korean disarmament, while the defense ministry insisted it be raised in accordance with overall budget increase.

The budget also contains a special fund to build subways to solve traffic problems in Korea's largest cities, and transfers all revenues from the telephone tax and part from the liquor and land taxes to local governments to pay for highway construction projects, the official said.

Immediate Cement Import Increase Directed by No

SK1609005590 Seoul THE KOREA TIMES in English 16 Sep 90 p 2

[Text] Yongwol Kangwon-to—President No Tae-u yesterday ordered the government offices concerned to immediately increase imports of cement which is in short supply due to last week's flooding.

Inspecting the flood-stricken area here, he told officials, "A stable supply of cement must be secured to help repair damages. Increasing cement imports will offer a temporary solution to the problem.

Mun Ik-hwan Visit to Hospitalized Mother Noted

SK1709083990 Seoul YONHAP in English 0722 GMT 17 Sep 90

[Text] Seoul, Sept. 17 (YONHAP)—The Rev. Mun Ik-hwan, released from his cell to visit his mother in hospital, was taken to a nearby prison on Sunday morning when her condition showed signs of improvement.

The Justice Ministry moved the 72-year-old clergyman to Uijongbu Prison in Seoul, the closest detention house to his mother's hospital. Mun is serving a seven-year sentence for making an unauthorized visit to North Korea, but was allowed to make an escorted visit to his 97-year-old mother in hospital on Friday afternoon when doctors said she had only a few hours to live.

The reverend asked for permission to stay with his mother, but no prisoner is ever allowed out for longer than 24 hours to see an ailing relative, officials said. His mother also began to recover on early Sunday morning, they said. Mun will be immediately sent to the hospital if her condition deteriorates again, officials said.

Burma

Tear Gas Used To Break Up Mandalay Protest

BK1709141790 Rangoon Domestic Service in Burmese 1330 GMT 17 Sep 90

[Text] With the aim of causing unrest among people who prefer peaceful living and to disrupt the education of students who are studying peacefully, five former students who had been expelled from school last year—Kyaw Min Lwin, Tin Maung Than, Myat Ko, Ngwe Soe Lay, and Min Htin—wielding a sword, a dagger, and slingshots, climbed over a school compound wall from the back and entered No. 9 State High School in Mandalay Southwest Township at 0930 today, where preliminary examinations were being conducted. The group, joining force with (?several) students who were waiting for them to create disturbances, flew a flag, chanted slogans, and caused a commotion. They also made threats and called on the students who were in the classrooms for the examinations to join in the disturbances.

The group then threatened the principal, Daw May May Khin, and high school teacher U Tin Hla with their weapons and took away the examination questions and test papers from the students. At 1000, the mob grew to about 50 people. They chanted slogans and burned the examination questions and answer papers in the field in front of the school.

Security personnel arrived at the school to control the situation, but as there were also about 50 other onlookers, an appeal was made to disperse. While the appeal was being made, several students and people who were bent on creating disturbances threw rocks at the security personnel. As repeated appeals to disperse fell on deaf ears, the security personnel shot four tear gas cannisters to break up the crowds. At noon, the situation returned to normal.

Three security personnel suffered injuries as a result of rocks thrown by disturbance makers. Several people believed to have joined in the disturbances are being called in for interrogation so legal action can be taken.

Rangoon Radio Notes Surrenders of Insurgents

1-19 Aug

BK1509092390 Rangoon Domestic Service in Burmese 1330 GMT 14 Sep 90

[Text] More members of insurgent organizations who have come to realize their wrongdoing have been surrendering at military units with assorted weapons and ammunition. The following surrenders took place between 1 and 19 August:

Southeast Military Command: Private Aung Shwe from the security unit of the KNU [Karen National Union] 202 Battalion surrendered at Papun garrison, while Pvt. Win Shwe from the 2d Company of the 10th Battalion surrendered with one AK-47 automatic rifle at Taung Thon Lon garrison,and Pvt. Tun Aung from the 1st Battalion surrendered with an M-16 automatic rifle at Pyingadogon garrison. Pvt. Tin Cho U surrendered at Kyaikto garrison. Aung Win alias Myint Maung Htay, organization officer from the Democratic Alliance of Burma surrendered at Three Pagoda Pass garrison, while Pvt. Ohn Than from the ABSDF [All Burma Students Democratic Front] 201st Battalion surrendered at Taung Gale garrison. Aung Soe alias Myint Soe, tax collector and member of Thanbyuzayat Committee from the New Mon State Party, surrendered along with one hand grenade at Kyaikmaraw Township Law and Order Restoration Council.

Northwest Military Command: Min Ko from Burma Democratic Guerrilla Front insurgent organization surrendered at People's Police station in Kale. Pvt. Win Bahadur from the KIA [Kachin Insurgent Army] 101st Battalion surrendered at Shwebo garrison.

Northern Military Command: Pvt. Tin Tun from the KIA Fifth Battalion surrendered at Shwegu garrison.

Southern Military Command: Pvt. Soe Naing from the KNU 8th Battalion surrendered with one hand grenade and one detonator mine at Thabyenyunt garrison.

Northeast Military Command: Pvt. Sai Kan Khan from the 801st Battalion of the Burma Communist Party surrendered at Man Hio garrison.

Eastern Military Command: Pvt. Paw Tar from Shan insurgent Aik Hsi War's group surrendered with one M-22 automatic rifle at Wan Long garrison.

Those who returned to the legal fold were warmly welcomed at respective garrisons by the appropriate authorities.

23-31 Aug

BK1509153290 Rangoon Domestic Service in Burmese 1330 GMT 15 Sep 90

[Text] More members of insurgent organizations who have come to realize their mistakes have been surrendering at military units with assorted weapons and ammunition. The following surrenders took place between 23 and 31 August:

Northern Military Command: Privates Zaung Yang and Zon Peint from the KIA 253d Battalion surrendered at Waingmaw garrison. Pvts. Tha Htwe alias Than Htay, Khin Maung Aye, and Brang Aung surrendered with one M-21 automatic rifle at Hmaung garrison.

Southeast Military Command: Pvt. Aung Kyaw U from ABSDF [All Burma Students Democratic Front] 10th Battalion surrendered at Three Pagoda garrison.

Western Military Command: Lance Corporals Shaufi Ahmed and Khalan, Pvts. Abu Tambi, Abdul Islam, and Malawi Mawpula of the Kalasoe insurgent group surrendered with one BA-63 automatic rifle, two 303 rifles, and one homemade gun at Left Taungpyo police garrison. Pvt. Kyawsi Ahmood surrendered with one homemade gun at Magyitaung police garrison.

Those who returned to the legal fold were warmly welcomed at respective garrisons by the authorities concerned.

Brunei, Malaysia & Singapore

Malaysia

Radio Appeals for Food To Reach Jordan, Kuwait

BK1309102990 Kuala Lumpur International Service in English 0800 GMT 13 Sep 90

[Station commentary]

[Text] Malaysia has responded positively to Jordan's request for food supplies to alleviate the sufferings of hundreds of thousands of refugees who have fled to its territory as a result of the Gulf crisis. Yesterday, foodstuffs worth U.S. $100,000 were sent aboard a Royal Jordanian Airlines chartered flight from Kuala Lumpur to Amman. Its supplies included condensed milk, flour, rice, and cooking oil. Jordan is burdened with a massive influx of refugees who have crossed the Iraqi and Kuwaiti borders since the August 2d Iraqi invasion and annexation of Kuwait. Jordan appealed to foreign governments to send food items to feed these people who are stranded in its territory.

Since the imposition of UN economic sanctions against Iraq and occupied Kuwait, the question of emergency food aid to foreigners caught in the grips of the crisis has become a prominent issue. The sanctions committee, which include all 15 members of the UN Security Council, has been wrestling with this issue in order to find the best possible avenue to channel aid in whatever form to the stranded victims. A UN working group met late on Tuesday [11 September] night to reconcile differences over the food aid issue.

Apart from the refugees in Jordan, there are still many thousands more of foreigners left in Iraq and Kuwait facing a food crisis. Prior to the invasion, at least half a million people in Kuwait were from Asia, mainly from India, Pakistan, Bangladesh, Sri Lanka, and the Philippines.

Arising from the UN sanctions—the use of food as a political weapon—has caused the conflict. Western nations accused Iraq of exploiting the presence of foreigners with the aim of the sanctions being lifted. [Words indistinct] are pressing them, innocents are made to suffer as wealthy countries try to gain time for sanctions to take effect.

A draft from over 40 non-aligned countries presented by Cuba and Zaire, asks that under the present exceptional circumstances, at least one Indian ship be allowed to enter Kuwait with food. Where the UN is concerned, the main area of difference is over how the sanctions were useful is to be interpreted. The sanctions do allow food aid for humanitarian purposes but how the supply is to reach the stranded refugees is the question.

India has requested for a boat load of food to be allowed to pass through the naval blockade in the Gulf. The Philippines and Sri Lanka have appealed to the sanctions committee to get food to their citizens in Kuwait. A draft from over 40 non-aligned nations presented by Cuba and Zaire asks that under the present exceptional circumstances, at least one Indian ship be allowed to enter Kuwait with food.

Malaysia's action in sending food supplies to Jordan is purely on humanitarian grounds. Malaysians have felt the agony and anguish over the safety of their loved ones who were stranded in Iraq and Kuwait following the Gulf crisis. Happily for them, all Malaysians returned home safely. The Jordanian Government played a big role in ensuring the speedy return of the Malaysians. Malaysia is grateful for that gesture. She recognizes the need for human value to prevail in circumstances such as those that have arisen as a result of the Gulf crisis.

Minister Says China Travel Restriction Lifted

BK0909140390 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 9 Sep 90

[Text] Malaysians can now visit the PRC without restriction. This was announced by Deputy Home Affairs Minister Datuk Megat Junid Megat Ayub, who added that those planning to make their first visit to that country need only fill out immigration forms and have them processed within one day before applying for a PRC visa. They do not have to fill out immigration forms for subsequent visits.

The minister disclosed this to newsmen after participating in a walkathon program at a field by the parliament. The decision to lift all restrictions for Malaysians to visit the PRC was adopted last month. In July, the government also lifted travel restrictions to North Korea, Cuba, and Albania.

Earlier, those who wanted to go to the PRC had to be over 30 years old and travel in a group of more than 10 persons. The maximum travel time was 14 days. Travel arrangements had to be made through licensed travel agents only.

Economic Cooperation Pact Signed With Nigeria

BK0709132490 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 7 Sep 90

[Text] Malaysia and Nigeria signed an agreement on economic, science, and technical cooperation in Kuala Lumpur today. With this, bilateral relations between Group of 15 countries become closer. Foreign Minister Datuk Abu Hassan signed for Malaysia and Nigerian Budget and Planning Minister Dr. Chu S.P. Okongwu signed for Nigeria. The pact also covers cooperation in the fields of agriculture, manufacturing, banking, and finance. Datuk Abu Hassan said Malaysia and Nigeria have the potential to become good trading partners.

Finance Minister Discusses Economic Growth

BK1309040890 Kuala Lumpur BERNAMA in English 0340 GMT 13 Sep 90

[Text] Kuala Lumpur, Sept 13 (OANA-BERNAMA)—The Malaysian economy grew by 9.5 percent during the first half of the year compared with 8 percent during the same period last year, Finance Minister Daim Zainuddin said. Supporting this, he said Wednesday that private sector spending in the year's first quarter had also showed strong signs of continued growth.

He added that banks in the country were showing better financial performance. With the current high levels of profit, banks should increase their reserves to meet future challenges. As for smaller financial institutions, they should consider merging so that they would be better equipped to ride out the future fluctuations in the economy, he said.

Singapore

Paper Views Future Peace Prospects for Cambodia

BK1209125190 Singapore THE STRAITS TIMES in English 12 Sep 90 p 36

[Editorial: "First Step To Peace"]

[Text] The Cambodians have well and truly confounded all observers this time. Despite much finger-crossing among well-wishers, few, if any, would have dared hope just a few days ago that an end to Cambodia's long nightmare might finally be in sight. The signs, after all, were hardly auspicious. The past three years have seen a series of meetings between the four competing factions in Cambodia to try and end the 11-year conflict, only to have them dissolve in acrimony and mutual accusations. And the latest Jakarta meeting seemed set to go the same way, with Phnom Penh's Hun Sen initially refusing to attend because Prince Norodom Sihanouk said he was not coming, and with the Khmer Rouge leader, Khieu Samphan, grumbling that there seemed to be no point his going to talk to "junior puppets."

There can be little doubt that the Jakarta agreement, like the international sanctions against Iraq, owes a great deal to the ending of the Cold War and the new-found amity among the great powers. The Cambodian disputants, in particular the Vietnam-backed Hun Sen regime and the China-supported Khmer Rouge, obviously read correctly from the Aug 28 agreement reached among the United Nations' Big Five—the United States, Soviet Union, China, Britain and France: The signal was that the Big Powers now were determined to pursue their own agendas and supporting ideological allies in regional disputes was not one of them. For Vietnam, facing declining aid from the Soviet Union, the promise of American assistance and investments in the event of a satisfactory Cambodian outcome was probably a powerful incentive to push its Cambodian proteges into showing greater flexibility. The Khmer Rouge, for their part, must have been told that they can no longer afford to appear the sole obstacle to peace in the face of the mounting international campaign against them.

But will the agreement hold? Indonesia's Foreign Minister Ali Alatas, who has had the arduous task of trying to bring about a Cambodian settlement as ASEAN's interlocutor in the peace process and thus knows the problems better than most, was cautious. Although happy with the Cambodian pact, he also added a warning when speaking at the final press conference: "The road ahead of us may still be rough." Realists, reluctantly, have to agree. Even as leaders of the four factions were hailing the significance of their agreement on Monday, they were already exchanging accusations. And Mr. Alatas had to request reporters not to ask them questions that would have highlighted their differences. At the very least, it suggests that progress towards a ceasefire and a UN-supervised election will not come easily or smoothly.

The first big hurdle the new Supreme National Council (SNC) must cross is to decide how much power it will cede to the UN transitional authority that is to actually run Cambodia, including enforcing and monitoring the ceasefire and organising the elections, pending the formation of a freely elected government. Although the UN plan lists broad areas, for instance defence, security and finance, that the authority should control, it leaves the actual bodies, agencies and offices to be handed over to be determined by the SNC and the UN. Will Phnom Penh, which holds most of the levers, actually be prepared to cede control to the UN or will it use the SNC's consensus rule to frustrate progress? Similarly, will the four factions truly abide by a ceasefire and not try to extend their areas of control? And will they seriously consider handing over their arms to UN peace-keepers as required by the plan? Somehow, it is difficult to believe that peace is indeed at hand for the Cambodians. Nonetheless, having surprised the world by achieving their Jakarta breakthrough, they might just do it again. Especially if the Big Powers and everyone else keep the screws on them.

Cambodia

AFP Reports 'Sporadic Fighting' as SNC Meets

BK1809073490 Hong Kong AFP in English 0726 GMT 18 Sep 90

[Text] Bangkok, Sept 18 (AFP)—Sporadic fighting between Cambodian resistance guerrillas and Phnom Penh troops erupted inside Cambodia as the rival factions were holding their first meeting here of the newly formed interim authority, Thai military officials said Tuesday.

However, officials stationed along the Thai-Cambodian border said there had been a lull on battlefields along the border. They said that clashes between resistance guerrillas and Phnom Penh troops were continuing in the

northwestern province of Siem Reap and in the northern province of Kompong Thom.

An Army officer based at the Thai border province of Surin told AGENCE FRANCE-PRESSE there had been no clashes between the guerrillas and Phnom Penh troops near the border in the last two months. "The heavy fighting has since earlier this year moved deeper into Cambodian territory," the officer said, adding that fighting around the two provinces and in Banteay Meanchey, near Siem Reap, died down about a week ago.

Another officer based in the key Thai border district of Aranyaprathet said the strategic highway linking Poi Pet border town and Banteay Meanchey was firmly under Phnom Penh's control and the resistance had not attacked it.

The guerrilla coalition, made up of the Khmer Rouge and two smaller groups loyal to Cambodian former monarch Prince Norodom Sihanouk and ex-Prime Minister Son Sann, has been fighting forces of the government installed in Cambodia almost 12 years ago following Vietnam's invasion to overthrow the Khmer Rouge.

The first meeting of the Supreme National Council (SNC), an interim authority the warring factions agreed to form in peace talks last Monday in Jakarta, began here Monday and adjourned inconclusively. It was to resume later Tuesday. The SNC includes representatives from Phnom Penh and the three resistance factions and will symbolize Cambodia's sovereignty until U.N.-sponsored elections are held.

Siem Reap Fighting in Week to 3 Sep Reported

BK1309081590 Phnom Penh SPK in English 0514 GMT 13 Sep 90

[Text] Phnom Penh SPK September 13—According to military sources from Siem Reap Province (300 km northwest of Phnom Penh), in sporadic fightings during the week to September 3, the government troops killed 67 enemy troops, wounded 57 and captured two others. They also seized 13 assorted guns and a quantity of ammunition. On September 3, the government forces launched an attack at the "15.64" position, killing 11 enemy troops including one lieutenant colonel, wounding 20 others and collecting four fire-arms and a quantity of other war means.

Bou Thang Tours Stung Treng, Distributes Goods

BK1109085390 Phnom Penh SPK in English 0449 GMT 11 Sep 90

[Text] Phnom Penh SPK September 11—Bou Thang, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, vice premier and head of the General Political Department of the Cambodian People's Armed Forces, has recently toured Stung Treng province (some 300 km from Phnom Penh). During his stay there Vice Premier Bou Thang visited the population of Chrab village, Sesan District, and distributed consumer goods to more than 800 families. He also donated 200,000 riels (Cambodian currency) to the local people for the construction of a new school in the village.

Meeting with provincial officials in the provincial town, Vice Premier Bou Thang explained the resolutions of the 11th party plenum.

Sen. Lieut. Gen. [Senior Lieutenant General] Bou Thang made public the Defence Ministry's decision to promote Colonel (?Kham Chan) to major-general and Major (?Heng Chanrin) to lieutenant-colonel. He conferred "Victory" orders on a number of units and individuals of regiment 17 in the 1st Military Zone for their outstanding achievements.

Chea Sim Addresses Trade Union Conference

BK1309045290 Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Sep 90

[Text] On the morning of 11 September, at the office of the Cambodian Federation of Trade Unions [CFTU], the Third National Conference of Trade Unionists was solemnly opened under the chairmanship of Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of both the National Assembly and the front's National Council. Also attending the meeting were comrades from the CFTU Central Committee, chairmen and vice chairmen of municipal and provincial trade unions, trade union administrative boards from central ministries and services, and many cadres from the CFTU office.

After Comrade Mat Ly, member of the party Central Committee Political Bureau, vice chairman of the Central Control Commission, and vice chairman of the National Assembly, opened the meeting, Comrade Say Siphon, alternate member of the party Central Committee and CFTU vice chairman, read a report summing up the results that trade unions from all localities achieved in nine months in 1990. The report stressed that in the past nine months, many of our workers made efforts to promote production and achieved 80 percent of the annual plan. The rubber planting area increased by over 50,000 hectares representing 95 percent of the annual plan. Our workers also tilled over 190,000 hectares of land, or 78 percent of the annual plan. Many cadres and staff in other units also carried out well their tasks.

The meeting was honored by the contribution of Comrade Chea Sim, who addressed the meeting pointing out the national and international situation, particularly our Cambodian Government's stance in the search for a reasonable solution to the Cambodian problem. The comrade also appreciated the activities of all employees who have done their best to finely contribute to implementing well the slogan: Everything for the battlefield and everything for increasing the people's confidence in our new regime. The

comrade also called on the meeting participants to continue to more vigorously and energetically promote trade union work from now to the end of 1990.

VONADK Urges Convening of Paris Conference

BK1809045990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 17 Sep 90

[Article: "The Supreme National Council Is the Unique Legitimate Body and Source of Authority in Cambodia During the Transitional Period"]

[Text] The first chapter of the five documents of the five permanent members of the UN Security Council [UNSC] stipulates that it is necessary to set up a Supreme National Council as a unique legitimate organization and source of authority representing the sovereignty and unity of Cambodia throughout the transitional period. On 10 September, the four Cambodian parties agreed to set up the Supreme National Council [SNC] on the basis of the five documents of the five UNSC members.

The Jakarta joint statement on the establishment of the SNC clearly stipulates that the SNC is the unique legitimate organization representing the independence, sovereignty, and national unity of Cambodia during the transitional period. This means that the sole state power in Cambodia is the SNC headed by Samdech Norodom Sihanouk.

The Cambodian people welcome and fully support the SNC headed by Samdech Norodom Sihanouk as the sole legitimate organization of Cambodia during the transitional period. The Cambodian people also call on the SNC to accelerate the convening of the Paris International Conference on Cambodia as soon as possible in order to elaborate the implementation method of the five-chapter documents of the five UNSC permanent members to bring peace to Cambodia and restore peace, security, and stability in Southeast Asia.

VODK Welcomes 'Five Documents' of UNSC

BK1809035990 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 17 Sep 90

[Article entitled "Only After the Five Documents of the UN Security Council Are Implemented Concretely and Thoroughly Can There Be Sufficient Conditions for Ending the Vietnamese War of Aggression Against Cambodia"]

[Text] The five permanent members of the UN Security Council [UNSC] have issued five documents for a comprehensive political settlement of the Cambodian problem. These five documents deal with:

1. The temporary establishment of a Cambodian administrative body prior to the elections—the Supreme National Council—with participation of the four Cambodian parties to represent Cambodia's independence, sovereignty, and national unity.
2. The military arrangement during the transitional period, namely the establishment of a UN transitional authority in Cambodia made up of both military and civilian personnel to ensure the implementation of the cease-fire and other measures related to the cease-fire.
3. The elections under UN supervision in which the process and procedures of the elections are stipulated.
4. The protection of human rights and all fundamental rights and freedoms of Cambodia as defined in international treaties on this matter.
5. The international guarantee to safeguard Cambodia's independence and sovereignty and prevent foreign aggression against Cambodia or foreign interference in Cambodia's internal affairs.

The world community welcomes these five documents of the five UNSC permanent members and regards them as appropriate measures for settling the Cambodian problem comprehensively through political means. The Cambodian people joyously welcome these five documents and hope they are implemented concretely, comprehensively, and totally to permanently end the Vietnamese war of aggression against Cambodia and to restore peace and security in Cambodia and stability in Southeast Asia.

VODK: Cambodians Want War To End 'Quickly'

BK1809035290 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 17 Sep 90

[News commentary: "All Our Cambodian Nationals Are Happy With the Formation of the Supreme National Council Headed by Samdech Norodom Sihanouk To Proceed Toward Quickly Achieving a Comprehensive Political Settlement of the Cambodian Problem"]

[Text] Over the past nearly 12 years of the Vietnamese war of aggression against Cambodia, our Cambodian nationals have all experienced the most tragic suffering and misery. They have been separated from their families, parents, brothers, sisters, spouses, and children and from their homeland.

All our Cambodian nationals want the Vietnamese war of aggression in Cambodia to end as quickly as possible so Cambodia can regain peace, security, independence, sovereignty, and national integrity. Only when Cambodia enjoys peace, independence, and sovereignty can all our Cambodian nationals have the rights and freedoms to live peacefully and earn their living in their own land. Therefore, all our Cambodian nationals are very happy with the setting up of the Supreme National Council [SNC] headed by Samdech Norodom Sihanouk and hope that the SNC, in cooperation with the United Nations, thoroughly implements the documents of the five permanent members of the UN Security Council to quickly restore peace and stability in Cambodia.

VONADK Broadcasts Slogans Welcoming SNC

BK1609030690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 15 Sep 90

["Chapter One of Political Slogans"]

[Text] 1. Welcome and fully accept the documents of the five permanent members of the UN Security Council

[UNSC] which are the only complete and basic documents for solving the Cambodian problem politically and comprehensively.

2. Welcome the establishment in Jakarta of the Supreme National Council [SNC] headed by Samdech Norodom Sihanouk.

3. The SNC headed by Samdech Norodom Sihanouk should proceed within the framework of a comprehensive political settlement to end the Vietnamese war of aggression against Cambodia.

4. The SNC headed by Samdech Norodom Sihanouk should proceed as part of a settlement to definitively end Vietnam's war of aggression against Cambodia within the framework of the five documents of the five permanent members of the UNSC.

5. The SNC headed by Samdech Norodom Sihanouk should proceed toward the Paris International Conference on the Cambodian problem in order to arrive at an agreement to end Vietnam's war of aggression against Cambodia through the concrete implementation of a comprehensive political settlement.

6. Only the five documents of the five UNSC permanent members and only through the Paris International Conference on all aspects of the Cambodian problem can basic and sufficient conditions to definitively end Vietnam's war of aggression in Cambodia be provided, thereby restoring security and peace to Cambodia and stability to Southeast Asia.

7. Cambodian compatriots are happy with the five documents of the UNSC permanent members and the establishment of the SNC headed by Samdech Norodom Sihanouk; happy that the SNC is Cambodia's only state organization in the country and in the international arena; and happy that the SNC is Cambodia's only organization to reconcile and unify the nation.

8. All are happy to accept and respect the fifth document of the five permanent members of the UNSC which stipulates that Cambodia's independence and neutrality should be maintained and protected and that acts of aggression against Cambodia as well as outside interference in Cambodia's internal affairs should be opposed.

9. All are happy and agree that Cambodia should safeguard its independence, sovereignty, territorial integrity, and national unity.

10. All are happy and agree that all countries recognize and respect Cambodia's independence, sovereignty, territorial integrity, neutrality, and national unity.

11. All are happy with the establishment of the SNC with Samdech Norodom Sihanouk as head and happy that the SNC is Cambodia's only state organization in the country and in the international arena.

12. All are happy to accept the fourth document of the five permanent members of the UNSC dealing with the respect and defense of human rights.

13. All are happy to accept and respect every aspect of human rights: political rights, economic and life-style rights, spiritual rights, moral rights, rights of expression, cultural, learning, and educational rights, and rights of belief and religion. Each individual should enjoy all these rights.

[(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian at 2315 GMT on 14 September adds the following slogan:

[All are very pleased and agree with Article 34, Chapter 5 of the document of the five UNSC permanent members, which stipulates that all agreements and treaties affecting Cambodia's independence, sovereignty, territorial integrity, neutrality, and national unity should be revoked.]

VODK Expands Political Slogans on Human Rights

BK1809025290 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 17 Sep 90

["Chapter Two of Political Slogans"]

[Text] 1. All are happy to accept the fourth document of the five permanent members of the UN Security Council dealing with the respect and protection of human rights.
2. All must respect the Cambodian people's fundamental rights and freedoms.
3. All must enjoy all the rights as defined in the Universal Declaration on Human Rights.
4. All must respect the UN Charter.
5. The fourth document of the five permanent members states that within the framework of the agreement on the comprehensive political settlement of the Cambodian problem, all states that have signed the agreement on the comprehensive political settlement of the Cambodian problem must undertake to respect the fundamental rights and freedoms in Cambodia.
6. All are happy to respect human rights in Cambodia and all the rights and freedoms in Cambodia without distinction of any social status.
7. All are happy to accept and respect every aspect of human rights—political rights, economic rights, rights to live, spiritual rights, moral rights, rights of expression, cultural and educational rights, and rights of belief and religion—that every individual should enjoy.

Enemy Troops, Administrators Urged To Flee

BK1109100790 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 10 Sep 90

[Station "Notice"]

[Text] Our Voice of the National Army of Democratic Kampuchea would like to issue this notice for the information of the Cambodian soldiers, militiamen, and administrators who have been forced by the Hanoi authorities to fight and die on their behalf in serving their policy of aggression and occupation everywhere throughout Cambodia while the world community has been pressuring the Hanoi authorities and their puppets and lackeys—the traitorous Hun Sen-Heng Samrin clique—to settle the Vietnamese war of aggression in Cambodia through a comprehensive political solution. This means that the Hanoi authorities must withdraw all their aggressor forces from Cambodia under UN supervision.

So far, the whole world is pressuring the Vietnamese enemies and their lackeys—Hun Sen and Heng Samrin—to accept the documents of the five permanent members of the UN Security Council.

You, the fraternal Cambodian soldiers, militiamen, and administrators, have all been forced by the Vietnamese aggressors and their lackeys—traitors Hun Sen and Heng Samrin—to fight and die on their behalf. You have been separated from your beloved mothers, fathers, wives, and children. You have to live in forested and mountainous areas where many of you have suffered from malaria and have died every day without achieving anything worthwhile to pass on to your families and relatives.

Since the world community is forcing the Vietnamese aggressors to withdraw from Cambodia, you should quickly flee back home to be with your relatives and wives. If you do not flee, you will one day die either from malaria or from hitting land mines and booby traps. You should quickly desert the Vietnamese aggressors and traitorous Hun Sen-Heng Samrin ringleaders.

Regiment Commander Claimed Killed in Ambush

BK1109061590 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 10 Sep 90

[Text] On 3 September, the Vietnamese enemies and their puppets mobilized their forces from Phnom Penh city and Kampot and Takeo provincial units totaling one regiment, including a company unit composing entirely of Vietnamese troops, and sent them out, together with artillery pieces of all calibers, to resist us on (Cham Tiev Mao) hill in Kompong Trach District, Kampot Province. Our national resistance forces ambushed the enemy forces for one whole day and routed them. They fled in disarray back to Kompong Trach. We killed nine enemy soldiers, including a battalion commander and a regiment commander, and wounded 16 others. We destroyed a drum-magazine machine gun, five B-40's and B-41's, and a 60-mm mortar; and seized two AK's, a B-40, and a quantity of assorted ammunition and war materiel.

Khmer Rouge Allow Thais To Mine Pailin Gems

BK1309093490 Bangkok THE NATION in English 12 Sep 90 p 5

[By Kritsada Sawatdichai and Kokhet Chanthaloetlak]

[Text] Chanthaburi—The Khmer Rouge has allowed a group of Thai gem traders to mine in an area it occupies in the gem-rich town of Pailin in Cambodia's Battambang Province, sources said.

Speaking to THE NATION on Monday, the sources said a group of some five merchants had received a concession last month to dig for precious stones in Pailin. The group began transporting workers and heavy equipment to the Cambodian town last week. The sources said the group won the concession by agreeing to build a 12 kilometre road from Pailin to the Noen Phi border checkpoint in this eastern province.

Noen Phi located in Ban Pakkat village of Pong Nam Ron District and about 30 kilometres from Canthaburi's Muang District, is one of the checkpoints along the Thai-Cambodian border which were opened to facilitate cross-border trade. The checkpoints were opened in line with Prime Minister Chatchai Chunhawan's ambitious policy of turning Indochinese battlefields into market places.

The merchants also agreed to pay an undisclosed percentage of the sales from the gems to the Cambodian resistance faction, according to the sources who requested anonymity.

In an attempt to control the gem-rich town for its economic benefits, the Khmer Rouge launched an all-out attack on Pailin and "liberated" it from Phnom Penh troops late last year. Thais had mined for stones there but retreated to Thailand during the attacks by the communist faction.

So far the merchants have invested more than Bt [Baht] 22 million to build the road, the sources said. The 100 Thai workers and five bulldozers which were sent to Cambodia for mining are also constructing the road which has been cut across the border, according to the sources. To facilitate the mining and road construction, Khmer Rouge troops have issued special border passes for the Thai workers, the sources said.

Meanwhile, several gems merchants have been frantically searching for Pailin stones in Chanthaburi and Trat after hearing they had been brought into Thailand. Thai traders consider Pailin stones to have a higher quality than local products. But the merchants so far have failed to locate any Pailin stones on the Thai markets.

The Khmer Rouge has also recently allowed a large number of Thais to dig for gems in Bo Lang and Khao Phet areas opposite Bo Rai District of Trat Province. A merchant who recently returned from the areas said nearly 100,000 Thai and Karen nationals were mining for precious stones there.

Indonesia

AFP Says Dissident Leader Dharsono Released

BK1609044990 Hong Kong AFP in English 0421 GMT 16 Sep 90

[Text] Jakarta, Sept 16 (AFP)—Indonesian dissident leader Hartono Dharsono was released from jail here Sunday after serving [a] jail term for anti-government activities.

Retired Lieutenant General Dharsono, former secretary general of the Association of Southeast Asian Nations from 1976 to 1978, was cheered by more than 1,000 of his supporters and friends as he left the Cipinang Prison.

He was driven in a car with his wife and relatives and left immediately for the west Java town of Bandung, where he lived.

Many other leading dissidents, including former Jakarta Governor Ali Sadikin, were present to greet him at the prison gate. Some 50 students from Bandung, wearing T-shirts with a picture of Mr. Dharsono in military uniform, had stood outside the prison since midnight.

Mr. Dharsono, 65, was convicted in January 1986 by a court here of subversion for his role in producing a dissident white paper in 1984 that challenged the government's account of bloody clashes between the military and a crowd of Moslem youths in the capital.

Minister Says OPEC Unity 'Remains Strong'

BK1409103990 Jakarta ANTARA in English 0947 GMT 14 Sep 90

[Text] Jakarta, Sept 14 (OANA-ANTARA)—The sense of unity among OPEC members remains strong and will not be affected by the Gulf crisis, Indonesian Minister of Mines and Energy Ginanjar Kartasasmita said here Friday [14 September]. OPEC members remain united even though there is difference of opinion among them as the result of the Gulf crisis, the minister told ANTARA after a Friday prayer.

The 13-member Organization of Petroleum Exporting Countries was established in Baghdad on September 14, 1960 by Iraq, Iran, Kuwait, Saudi Arabia, and Venezuela. Indonesia became the sixth member of OPEC in 1962, followed by Qatar, United Arab Emirates in 1967, Algeria (1969), Nigeria (1971), Equador and Gabon (1975).

The unity and integrity of OPEC members have passed various tests and its members could not be affected by political situation, he said adding that the eight-year Iraq-Iran war in the 1980's did not result in the split of OPEC. He said that the political situation in the Gulf region had not yet arrived at a level which could lead to an OPEC split.

Ginanjar, who is acting OPEC's deputy president, denied the opinion that OPEC's decision of increasing production to meet the world's short supply would only benefit the industrialized countries. The OPEC decision is made for the interest and the benefit of its members, and to help the developing countries which fall short of oil such as India, Pakistan, Bangladesh, and the Philippines.

Alatas Seeks To Calm 'Uproar' Over Lee Remark

BK1309164390 Hong Kong AFP in English 1630 GMT 13 Sep 90

[Text] Jakarta, Sept 13 (AFP)—Foreign Minister Ali Alatas has sought to calm an uproar here over remarks by Singapore Premier Lee Kuan Yew about Indonesia's first president Sukarno, saying that it had been a "slip of the tongue." The remarks were not intended to start a rift with Indonesia, Mr. Alatas assured a parliamentary hearing here late Wednesday. "Let's say he made a slip of the tongue," he added.

Many leading MPs have urged the government to protest to Singapore for Mr. Lee's remarks made during a National Day rally on August 26, in which he praised current President Suharto for his successful economic policies but criticized the late Mr. Sukarno for his personal political ambitions.

Mr. Alatas said he had called the Singaporean ambassador here for an explanation, and this had reaffirmed his belief that Mr. Lee had not intended to meddle in Indonesia's domestic affairs. Mr. Lee had spoken without a text, he said. "We have to put this issue in its right proportion," Mr. Alatas said, adding that the government had no intention of pursuing the matter further for the moment. The minister said however he welcomed the statement by MPs which he said would make Singapore more aware of Indonesia's sensitivities.

Laos

Foreign Ministry Statement on Jakarta Talks

BK1509090790 Vientiane Domestic Service in Lao 0500 GMT 15 Sep 90

[Text] Recently, our Foreign Affairs Ministry issued a statement on the success of the informal meeting held in Jakarta on the Cambodian problem.

The statement says: On 10 September, the informal meeting in Jakarta was concluded with brilliant success when all Cambodian factions unanimously agreed to endorse a joint communique on a plan to settle the Cambodian problem issued earlier by the five permanent members of the UN Security Council. The Cambodian factions also unanimously agreed to set up the Supreme National Council to act as a symbol of Cambodian independence, sovereignty, and unification and as the representative of Cambodia in international relations and at the United Nations as well as at various international organizations and conferences.

As a neighbor, the Lao People's Democratic Republic always desires and has never ceased making efforts together with other countries to bring peace and happiness to the Cambodian people. We welcome all steps that will lead to the attainment of this esteemed objective. We regard the outcome of the Jakarta conference as an important step that will lead to an overall, fair, and reasonable political settlement to the Cambodian problem, thereby ensuring the right of self-determination and the independence and sovereignty of Cambodia.

Economic Relations Minister Reviews Foreign Aid

BK0709030890 Vientiane KPL in English 0855 GMT 6 Sep 90

[Text] Vientiane, Sept 6 (KPL)—Since early 1980, the beginning of the first five year plan for socio-economic

development, Laos has received on average a 90 million U.S. dollars foreign aid and loans a year, as a result of the policy of liberalizing economic cooperation with foreign countries on an equal footing and mutual benefit basis, Minister of Foreign Economic Relations Phao Bounnaphon told KPL.

The aid from socialist countries, mainly the Soviet Union and Vietnam, covers the large amount of the foreign aid. Those from friendly countries, in particular Japan, Sweden, Australia, EC member countries, France and West Germany has been on an increase from year to year. Besides, the aid from the UNDP [United Nations Development Program] and other UN specialised agencies, and non-governmental organisations has been also substantial, the minister said.

In addition, he said, the World Bank, the Asian Development Bank, the International Fund for Agriculture, and the International Monetary Fund have granted to Laos their concessional loans with long-term repayments.

Through these foreign aid and loans, we can achieve to a certain degree the targets set out in the development plan including the construction and improvement of roads 1, 10, 6, 7, 13, 8, 2, 4, and of bridges of Kading, Pak-negun, Sedon and Theun River. Furthermore, with the foreign assistance other public facilities have been built and expanded. They include the Nam Ngeum and the Seset hyro-power stations the Keng Kabao Mekong port, the km 4 river port, the Pak Beng river port of Luang Prabang, the wood processing factory, the ply-wood factory, hospitals, schools, the satellite station, the National Radio Station, the livestock stations in Lat Sen, Nam Seuang, and the chicken farm in Na Phok.

All these facilities provide a foundation for development of agriculture, industry, education, public health, culture beneficial to improving the living standard of the national people, the minister added.

Phoumi Vongvichit Receives Korean Youth Group

BK1209101790 Vientiane KPL in English 0854 GMT 12 Sep 90

[Text] Vientiane, Sept 12 (KPL)—Mr. Phoumi Vongvichit, acting president of the Lao PDR [People's Democratic Republic], yesterday received here a visiting delegation of the Socialist Working Youth League of Korea CC [Central Committee] headed by its president, Chai Yong-hai.

The acting president discussed with his guests the relationship and cooperation between Lao and Korean youths who have similar approach in many aspects, in particular in mobilizing the youth forces to take part in their national development.

Phoumi Vongvichit then voiced his pleasure and support for the Korean national reunification's efforts.

International Youth Conference Opens 13 Sep

BK1509121990 Vientiane Domestic Service in Lao 0000 GMT 14 Sep 90

[Text] The Lao People's Revolutionary Youth Union Central Committee in collaboration with the World Federation of Democratic Youth [WFDY] officially opened the WFDY's first consultative conference in the Asia and Pacific region in Vientiane yesterday afternoon. Over 50 youth representatives from over 10 countries are attending the conference.

The objectives of this historic meeting are to allow participants to exchange views on the progress of youth activities in each country; review undertakings of the WFDY in this part of the world, political directions, working methods, and structures of the youth organizations that have been recognized by the WFDY administrative committee during the Berlin meeting; and discuss the promotion of cooperation and solidarity among member organizations in this region, the draft resolution on the Asia and Pacific region to be presented to the upcoming congress, celebration of major events, admission of new members, financial condition of the WFDY, various proposals for improvement of the regional situation, and issues related to the 13th congress scheduled to take place at the end of this year.

The conference will be closed on 14 September after a two-day sitting.

Nouhak Phoumsavan Congratulates MPR Leader

BK1209101390 Vientiane KPL in English 0856 GMT 12 Sep 90

[Text] Vientiane, Sept 12 (KPL)—Mr. Nouhak Phoumsavan, president of the People's Supreme Assembly [PSA] of the Lao PDR [People's Democratic Republic], recently sent a message of congratulations to Mr. J. Gombojbyn who was elected as president of the MPR [Mongolian People's Republic] People's Great Hural.

The Lao PSA president congratulated him over his election to the post and expressed wishes for the further developed traditional relations of friendship, solidarity and cooperation between Laos and Mongolia.

Sali Vongkhamsao Meets FAO Official on Aid

BK1109104390 Vientiane KPL in English 0904 GMT 11 Sep 90

[Text] Vientiane, Sept 11 (KPL)—Mr. Jozef Toczek, FAO's [Food and Agriculture Organization's] representative to Laos recently disclosed that the FAO will continue to give more aid to Laos in the immediate future in particular for the development of agriculture and forestry and the protection of environment in Laos.

He said this when he met with Mr. Sali Vongkhamsao, minister of economy, planning and finance, who told the

former of the Lao Government's appreciation over the result of FAO's assistance toward economic development in Laos.

This international organisation is known among the others which have provided Laos regular aid over the years. Especially, it has extended several times its relief aid to Lao people in the drought sticken areas.

Feature Views Development of Mountainous Region

BK1309113390 Vientiane Domestic Service in Lao 0430 GMT 13 Sep 90

[Feature: "Six Years of Developing Mountainous Areas"]

[Summary] "The past six years constituted an initial test for the endeavors made by cadres, combatants, and personnel of the Mountainous Region Development Company to create a new hope in the mountainous region for the multiethnic people who have been suffering for many generations from oppression and exploitation by both new and old colonialism. The Mountainous Region Development Company was established on 29 August 1984 under the jurisdiction of the National Defense Ministry." Engaging in forestry business, the company has been trading with a number of localities and foreign firms and cooperating with local administrations in cultural and socioeconomic development. The company has been successfully developing rural areas and propagating the party's and state's policies among the people at the grass roots in Bolikhamsai Province.

During the period under review, the company has set up a number of industrial production bases including factories, schools, and hospitals worth nearly 6 billion kip so as to generate revenue for the company. As a result, the former dense jungle area has been developed into a township with electricity and running water by cadres, combatants, and workers of the company who are always willing to make every sacrifice for the well-being of the multiethnic people. Starting from one school with only 100 students, the company has so far built nearly 20 schools for over 2,000 students.

Meanwhile, political study courses have been regularly organized for the company's personnel. At present, the company has over 40 business units and branches both inside and outside the country engaging in both import and export businesses. In 1989, they generated a total revenue of over 14 billion kip with the company recording a net profit of 1 billion kip by the end of the year. The company has accumulated a reserve of over 3 billion kip and a 1,600-ton cargo ship and maintains trade relations with over 10 foreign countries. Besides taking care of its personnel, the company has helped alleviate food shortages for people in various localities. The company's personnel have also implemented the party's and state's plans and policies at the grass-roots level to increase production and improve the people's livelihood.

During the past six years, the company encouraged the people in various villages in the areas of its responsibility to give up slash-and-burn cultivation and shift to fixed rice farming. Cooperatives were set up for people in the villages where conditions are unsuitable for rice cultivation so they can produce masonry or grow coffee plants with initial investment capital provided by the company, which, in return, buys the products from these cooperatives. Irrigation networks were constructed by the company to fetch water for hundreds of hectares of paddy fields. Through these achievements, the company has created a new hope for the people and gained their confidence in our party and state. The people have now been rescued from difficulties and hardships. The people are now enjoying a better life.

"Today, the people are walking on asphalt roads and see with the bright light from electric bulbs. Children of the laboring people have the opportunity to go to school. In their free time, the people can sell their products at the market. Consequently, the people have been encouraged to attentively contribute to the tasks of national defense and maintenance of public security."

Philippines

Upcoming Meeting on U.S. Bases Previewed

HK1709030990 Manila THE MANILA CHRONICLE in English 17 Sep 90 pp 1, 6

[By staff member Tress M. Reyes]

[Text] While the Philippines and the United States are agreed on a phaseout of the U.S. bases here, the negotiators are expected to argue over the time frame, terms and conditions for phaseout when the talks begin tomorrow.

President Aquino will issue a statement as representatives of both countries begin their talks at a venue which officials refuse to disclose for security reasons.

The U.S. panel, headed by former assistant secretary of defense Richard Armitage, will push for a 10-year phaseout period for the bases, but Philippine negotiators are expected to demand the immediate closure of Clark Air Base by September 16, 1991, when the Military Bases Agreement (MBA) expires.

If the Americans push hard enough, the Government may, under the "right" (albeit unspecified) conditions, allow them to keep Clark for three more years—time enough to convert it into an international airport terminal as planned by the Legislative-Executive Bases Council (LEBC), and prevent dislocation of Filipinos directly or indirectly employed by the base.

As for Subic Naval Base, a maximum phaseout period of eight years, which will totally rid the country of bases by the turn of the century, would be acceptable to the Philippine panel, sources said.

Time and again the U.S. had stated it was easier for it to give up Clark than Subic if the situation forced it to make a choice. But it recently indicated it wanted to

maintain military access to both bases, including Crow Valley in Tarlac and four other smaller installations here, possibly on a "commercial basis."

The Philippine panel appears amenable to this, stressing that after the bases are phased out, these must be turned over to the Philippine government which would then hire private contractors to operate the facilities, sources close to the Philippine panel said. The U.S. or any other country may enter into agreement with these contractors as long as they do not involve military troops or forces because such an arrangement would require a treaty, as provided by the Constitution.

Alex Magno, a professor at the University of the Philippines, said that a new bases treaty calling for an immediate U.S. pullout from Clark and a reasonable, definite date for the closure of Subic and other U.S. facilities would sufficiently convince the Senate—which must ratify the treaty—and the public of the government's sincerity in removing the bases.

Commercial use of the bases, once operationalized by private companies, would also be acceptable, according to Magno, because this would remove the political alliance between the U.S. and the Philippines.

Compensation is another ticklish issue which both panels have to resolve considering U.S. budgetary constraints (the U.S. is feeling the crunch of its $320-billion budget and trade deficits, among others) and the Philippines' dire need for dollars, which was recently aggravated by the Gulf crisis.

Aside from insisting that the U.S. once and for all agree to all "rent" the money it pays to keep its bases here, the Philippine panel is expected to demand compensation at least equivalent to what it is now getting even if Clark is withdrawn as well as to push for preferential trade access to the U.S. market.

The U.S. is likely to object to such a package. For the past few years, it has been harping on "burden-shraing" with its allies, stressing that it could no longer shoulder alone the cost of ensuring world peace.

Although the Philippine panel's plan, as disclosed by Manglapus, would be to allow Armitage's group to make its proposal first during this first phase of the negotiations, its own idea for a new treaty is patterned after the Spanish model covering the U.S. bases in Spain.

It would be a broad treaty on Philippine-U.S. friendship, cooperation and security, good for 10 years. Attached to it would be supplemental agreements on different aspects of Philippine-U.S. relations which would put substance into the broad treaty. Each agreement would have a different effectivity period.

One of these would be a three year supplemental agreement for the phaseout of all U.S. bases, but the Philippine negotiations would push to separate the portion on compensation and include it instead in the supplemental agreement on economic cooperation which would last 10 years.

This way, the country would continue enjoying the economic benefits of being a U.S. ally even after the bases had been removed.

But it is doubtful if the U.S. panel would agree to this. And official close to the panel said: "Chances are, they (the Americans) won't agree to anything that would economically last longer than the military agreement."

Other contentious issues like unhampered military operations, criminal jurisdiction, nuclear weapons, and social costs are expected to be tackled again in the talks.

Sources at the foreign office said a new bases treaty would likely exclude the controversial clause in the MBA giving the U.S. absolute control over the use of the bases without needing to seek permission from the government, a provision that only exists in the U.S. treaty with the Philippines.

Magno said that replacing the MBA provision with silence was a "diplomatic way" of doing away with it. Absence of the clause would actually give the Philippine base commander "flexibility" in handling contingencies, giving him leeway in choosing when to assert Philippine sovereignty and refuse the use of the bases for military operations against other states.

The Philippine base commander would also be crucial in enforcing the anti-nuclear weapons clause in the Constitution, which the Manglapus panel is expected to assert during the talks. Despite the U.S. position of neither confirming nor denying the presence of nuclear weapons in its bases, more than half of the ships in Subic base are nuclear capable.

Meeting Opens To Discuss Future of U.S. Bases

Three Options Approved

HK1709061790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 17 Sep 90

[Text] Philippine negotiators are expected to meet with their U.S. counterparts today to discuss the fate of U.S. military bases in the country. Chief negotiator and Foreign Affairs Secretary Raul Manglapus will meet U.S. special negotiator Richard Armitage to tackle three possible options for the bases: One, closure of Subic Naval Base, Clark Air Base, and other minor U.S. military camps by 16 September 1991. Two, closure of Clark Air Base on 16 September 1991 and retention of Subic Naval Base until 16 September 1994. Three, simultaneous closure of all U.S. military facilities by 16 September 1996 or 1998.

In spite of the options spelled out, Manglapus said that he will maintain a wait-and-see attitude and wait for an offer from Armitage.

Meanwhile, the three options have been officially approved by the Presidential Bases Committee headed by Executive Secretary Catalino Macaraig.

Maceda Outlines His Proposal

HK1709121590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Sep 90

[By Cesar Chavez]

[Excerpt] Senate defense committee chairman Senator Ernesto Maceda today proposed a simultaneous five-year phaseout treaty and two-year executive agreement on the U.S. military bases.

In a press conference Maceda said that he proposed the five-year phaseout treaty because the government is not yet prepared to face the country's problems, which could worsen the moment the military bases are removed by 16 September 1991, the bases agreement expiry date.

According to Maceda, if the military bases go by 1991, the government will lose the $481 million rent by the U.S. government aside from displacing about 58,000 Filipino workers in the bases, not to mention the Filipino contractors based there. Maceda also stated that if the military bases go more Filipinos will lose their jobs, aside from the already displaced workers due to the Middle East crisis and the 16 July killer quake.

In view of this, Maceda proposed the approval of the five-year phaseout treaty and at the same time approval of the executive agreement.

According to Maceda, the two-year executive agreement from 1991 is needed because if the five-year phaseout treaty fails to get approval from the Senate, there will still be a law to follow in the removal of the U.S. bases. [passage omitted]

Armitage Arrives for Talks

HK1709105390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Sep 90

[Excerpts] The second round of the RP [Republic of the Philippines]-U.S. bases talks will officially start tomorrow, 18 September, when the Philippines and U.S. panels meet to discuss the fate of U.S. military bases in the country. U.S. special negotiator Richard Armitage arrived in Manila at 1400 [0600 GMT] this afternoon for the talks.

Meawhile, the Philippine panel will again be headed by Secretary of Foreign Affairs Raul Manglapus. [passage omitted]

Congressman Bonifacio Gillego expressed hope that the Philippine panel will not be swayed by an announcement from the U.S. Congress favoring a ten-year phase-out of the U.S. military bases in the country. According to Congressman Gillego, the demand for a ten-year phase-out has not been officially presented as the position of the U.S. panel. He added that the U.S. panel will be very tight-lipped about its proposals and will wait for the Philippine panel to present its views first.

[Begin Gillego recording in English] So I think that if they accept that, they would limit themselves to the points raised in that American-proposed alliance. I hope they do not get delimited by this statement coming from allegedly the United States Government. [end recording]

Meanwhile, Senator Wigberto Tanada also gave his views on the alleged statement. He said that the Philippines will achieve full independence sooner if it rejects the proposal.

[Begin Tanada recording in English] It will be easier to forge a treaty of friendship and cooperation with the United States as sought by the Senate resolution that has been filed and signed by 17 senators. If these American war facilities are withdrawn from our country, government can better accompany and lead the people in their quest for peace with justice and sovereignty with honor if the U.S. bases are removed from our base lands. [end recording]

Central Bank To Be Talks Venue

HK1709115790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Sep 90

[By Rey Arquiza]

[Text] Philippine panel spokesman and Tourism Undersecretary Rafael Alunan announced that the bases talks will start tomorrow morning at the Central Bank building in Roxas Boulevard.

In an interview with diplomatic reporters, Alunan said the Philippines will do its best to win the best arrangement from the United States. According to Alunan, the bases talks which will be held from 18 to 22 September, will be very candid. Alunan said that the U.S. wants to change its relations with the Philippines, in that they would become wider in scope. The U.S. alleged plan of wider relations will include economic, political, and military issues, and not only security.

The Philippine panel members headed by Foreign Affairs Secretary Raul Manglapus include Health Secretary Alfredo Bengzon, vice chairman; Ambassador Raul Rabe, director general of the Office of American Affairs at the Department of Foreign Affairs; Ramon Desuasido, assistant solicitor general; and Feliciano Gacis Jr., defense undersecretary.

The American panel is composed of Richard Armitage as the chief negotiator; Rear Admiral Edward Baker, (Jamieson Shelby), Lincoln Bloomfield, and Frederick (Hope) as members. The U.S. Embassy clarified that Ambassador to the Philippines Nicholas Platt is not a panel member but a technical adviser. The embassy also announced that Armitage has arrived on board a U.S. Air Force plane.

It was agreed to seek diplomatic relations along with economic cooperation when a Korean Government delegation led by Chief Presidential Adviser for Economic Affairs Kim Chong-in visited Moscow in early August.

The sources said the two countries would enter virtual formal ties even in the absence of diplomatic relations, once the six agreements are signed.

Former Soviet Coach To Train Olympic Boxers

SK1409092290 Seoul YONHAP in English 0829 GMT 14 Sep 90

[Text] Seoul, Sept. 14 (YONHAP)—Yuri Choe, former coach for Soviet Union's national boxing team, will be teaching the South Korean amateur boxers preparing for the 1992 Olympics in Barcelona.

Choe, a second-generation Korean, will serve as the head coach to the Korea Amateur Boxing Federation for one year starting January next year. The 42-year-old expert will bring his know-how on Soviet-style boxing techniques to Korean athletes competing in the 1992 Olympics, a federation spokesman said.

Choe will receive free room and board and approximately 3,000 U.S. dollars per month.

Vietnamese Trade Mission To Visit Seoul

SK1809074290 Seoul YONHAP in English 0730 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—A Vietnamese Government trade mission flies into Seoul on Sunday for a weeklong visit, the first by a government delegation since 1975.

The mission will discuss exchanging trade offices in Seoul and Hanoi with the state-run Korea Trade Promotion Corp. on Sept. 24.

The nine-member delegation is led by Pran Duc Nguyen, a top economic adviser of the State Planning Committee, and comprises government economists and university deans.

The Vietnamese will discuss ways to boost trade and investment with the Korea Chamber of Commerce and Industry and with business groups such as Samsung, Daewoo, Hyundai, Lucky-Goldstar and Sunkyong.

Fifteen Korean firms had applied to invest some 40 million U.S. dollars in Vietnam as of the end of July despite an absence of diplomatic relations, according to the International Private Economic Council of Korea.

Canadian Foreign Minister Due for Visit

SK1809113090 Seoul YONHAP in English 1118 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—Canadian Foreign Minister Charles Joseph Clark will arrive in Seoul Wednesday on a two-day visit at the invitation of his South Korean counterpart, Choe Ho-chung, a spokesman for the Foreign Ministry here said.

During his stay in Korea, Clark will pay a courtesy call on President No Tae-u at Chongwadae as well as have talks with Choe to discuss ways to further promote friendly relations between Ottawa and Seoul.

The two foreign ministers are expected to exchange views on various issues of common concern, including the Gulf crisis and improved cooperation among nations in the Asia-Pacific region.

Clark and Choe will sign a memorandum of understanding on Korea-Canada cultural cooperation before leaving here on Thursday afternoon, the spokesman said.

Pak Chol-on To Attend Asian Games in Beijing

SK1809085090 Seoul YONHAP in English 0823 GMT 18 Sep 90

[Text] Former First State Minister for Political Affairs Pak Chol-on, in what many see as an unusual personal drive, is grabbing every chance to speak in public since his return from the Soviet Union.

Pak, a close aide to President No Tae-u even since he left the Cabinet, spoke on South Korea's northward politics to leaders of financial institutes on Saturday, and will speak on Wednesday at a seminar held by the Korean business management association.

He also held an impromptu discussion with youngsters he came across on his way back to Seoul from Kwangju City on Monday. Pak will leave for China on Friday to attend the Asian Games and is due back at the end of the month.

Athletes Arrive for Asian Games

SK1809090090 Seoul YONHAP in English 0837 GMT 18 Sep 90

[Text] Beijing, Sept. 18 (YONHAP)—South Korea's main party of 371 athletes arrived in Beijing at noon on Tuesday to participate in the 11th Asian Games on Sept. 22-Oct. 7.

The athletes, disembarking after a two-hour flight from Seoul, were greeted by officials of the Beijing Asian Games Organizing Committee (BAGOC) and Korean wellwishers.

A group of 62 athletes arrived on Saturday and the remaining 262 will be here by Sept. 30, Korean sports officials said.

The group was headed by the leader of the 695-member Beijing games team, Chang Chung-sik, and vice leader Kim Song-chip, who said at the airport that the South Koreans would try to achieve second place after China.

He said they had undergone fierce collective training for 22 months to achieve that goal.

The Korean athletes were driven in buses provided by BAGOC to the athletes' village. There will be an official arrival ceremony at the flag plaza on Wednesday morning.

Some 136 athletes and officials from North Korea also arrived at the airport in the morning and were greeted by BAGOC officials and embassy staff. They were members of the basketball, volleyball, badminton, wrestling and swimming teams.

A total of 608 North Korean athletes are to participate in the Asiad.

Church Official Meets China's Wu Xueqian

SK1809084090 Seoul YONHAP in English 0819 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—Pak Po-hui, the No. 2 man in the Unification Church, has shocked South Korean Government officials with the news that he had a lengthy talk with Chinese Vice Premier Wu Xueqian in Beijing Monday.

Chinese leaders had refused to meet with prominent South Koreans, including presidential economic adviser Kim Chong-in and Kim Pok-tong, President No Tae-u's brother-in-law, when they were in the Chinese capital recently.

XINHUA news agency, in a brief report on the meeting, emphasized that Pak had come not as a South Korean but as a citizen of the United States and seemed to be trying to cool the rivalry between South and North Korea, which are both trying to woo China.

Government leaders in Seoul said they were surprised at the apparent closeness between China and the Unification Church, led by the Rev. Moon Sun-myung. Other Unification Church officials, all ranking within the top 10 in power order, have visited Beijing within the last few days.

Romania Signs Shipping Cooperation Agreement

SK1809001190 Seoul THE KOREA TIMES in English 18 Sep 90 p 8

[Text] The Korean Register of Shipping (KR) has signed a contract on mutual cooperation in business with the Romanian Register of Shipping (RNR), effective Sept. 13, the Korea Maritime and Port Administration said yesterday.

The two ship classification bodies will be able to entrust inspection of ships, ship equipment, containers and general machinery to each other in accordance with the agreement, a spokesman said.

Last year, KR also signed a similar agreement with the Soviet Union.

The RNR brings to 15 the number of foreign ship classification societies.

Part-Korean Consortium Hits Oil in Ecuador

SK1709095590 Seoul YONHAP in English 0859 GMT 17 Sep 90

[Text] Seoul, Sept. 17 (YONHAP)—An international consortium that includes two South Korean firms has hit oil in a mountainous region in Ecuador, a spokesman for the Energy and Resources Ministry said on Monday.

Kyungin Energy Co. and the Petroleum Development Corp. (PEDCO) of Korea and Union Oil of California (Unocal) struck oil in the P-10 structure in the No. 13 subzone, 250 kilometers southeast of Quito, the capital of the South American nation, he said.

They found a 19-meter-deep oil layer after sinking a 4,072-meter bore between June 1 and Sept. 8, he said.

Kyungin and Pedco have stakes of 18.75 percent and 6.25 percent, respectively, Unocal has 50 percent, U.S. Union Pacific 15 percent and Nedlloyd Energy of Holland 10 percent.

Paper Says Economy on 'Edge of a Deep Abyss'

SK1809010590 Seoul THE KOREA TIMES in English 18 Sep 90 p 8

[Article by assitsant Economic Editor Pak Chang-seok]

[Text] From all the signs emerging both at home and abroad, the Korean economy appears to be on the edge of a deep abyss. The stormy upheavals affecting international order and challenges presented by domestic problems combine to dim the prospect for the Korean economy. Skyrocketing oil prices, the Uruguay Round multilateral trade negotiations, a move for restructuring of world trade blocs, and structural weakness in the national economy present new obstacles troubling Korea's economy.

Most precarious is the Persian Gulf conflict. Despite both sides' aspiration for a peaceful exit from the crisis, neither seemed ready to give way on their basic demands. War could erupt in the Gulf. World crude oil prices soared over the weekend, trading higher than 33 U.S. dollars per barrel after Iraqi troops burst into the Kuwaiti residences of foreign diplomatic missions.

Recently, there have been much talk about the impact of the oil crunch arising from the Gulf confrontation. True, Korea has been frequently referred to as a sample country that may be hit hard by the oil shock. The Economist, a weekly news magazine puolished in London, has recently tapped Korea as the fourth weakest state next to Turkey, Czechoslovakia, and the Republic of South Africa in terms of capability in coping with the high oil prices.

A similar analysis was presented by the Japanese Nomura Research Institute, warning that South Korea and Taiwan

are most likely to be hit hardest because of their energy-intensive industries. It even forecast that the two forerunners among the four Newly Industrialized Countries (NICs) are likely to head toward a recession next year if crude oil prices go above 25 dollars a barrel.

No doubt, balooning petroleum prices risk sparking inflation. The government's target for inflatiion for this year is 9 percent. But, price hikes rates were already beyond 8.1 percent as of the end of August. In particular, bringing runaway inflation under control may be difficult owing to the latest torrential rains that pounded Seoul and its neighboring provinces. The heavy downpours have already resulted in steep hikes in prices of vegetables and construction materials.

The massive release of money under the bloated state budget, some of it for political motivation, will undisputably constitute a major threat to keeping inflation at a unmanageable level.

Another major threat is the settlement of the Uruguay Round global negotiations for freer trade, scheduled for the end of this year. By most accounts, Korea is doomed to suffer serious setbacks to the viability of its economy in case negotiating countries decide on full libealization of agricultural imports and government-sponsored farm subsidies.

Despite its rapid industrial development, few deny agriculture is still the lifeline of the Korean economy and Korea is a major food importer along with Japan. In this view, any impact from the settlement of the Uruguay Round talks may be disastrous.

On top of this, Korea will have to weather the coming storms stemming from the realignment of world trade zones into three major powerful blocs. A move toward the creation of a single economic market with the 12-nation European Community could leave Asian and Pacific-rim economies in the dark. Economists view that a new economic game would be in favor of the Europeans after the integration of the common market, scheduled for 1993. Some make a hasty judgment that the Pacific-rim nations would no longer be a clear economic winner.

The fragility of the American economy is deemed as a crucial factor discouraging the national economy since the latter heavily relies on Americans to buy its goods. The U.S. economy is teetering along the edge of a recession with some viewing that it has just started and rising oil prices promise even slower growth.

Apart from the gloomy external milieu, internal circumstances are also dim and dismal. Exports are lagging, stock markets are bearish, and prices are booming.

In particular, the prospects for exports are further turning from bad to worse due to the floods, the worst in 65 years. An interim tally shows that 447 industrial businesses suffered damages from the heavy rains and production losses were about 28.93 billion won (40.46 million dollars). And, the substantial losses are expected to mount.

The transition occurring internally and externally is certain to traumatize the Korean economy, experts say.

At this critical juncture, an extensive review and retouching of the nation's socio-economic development programs is in order.

In the midst of economic turbulences, the Economic Planning Board (EPB) came up with a new rosy five-year economic development plan, predicting that per capita Gross National Product (GNP) will be 10,050 dollars in 1996. It is good news for the people. But, some pessimistic economists fear that such an optimistic prediction may turn out to be just a mirage, taking into consideration the onrushing challenges facing the nation.

The most urgent task the country should tackle at the moment is to put the national economy back on right track. The key to the attainment of steady economic development is political and social stability and revival of the people's hard-working attitude.

Awakened to the stark reality, all politicians are advised to stop their political strife purely intended for the cause of pursuing their interest at the people's sacrifice.

Government, DLP Finish 1991 Budget Proposal

SK1809020790 Seoul YONHAP in English 0155 GMT 18 Sep 90

[Text] Seoul, Sept. 18 (YONHAP)—The government and ruling party reached agreement on a budget for fiscal 1991 of 27.19 trillion won (38.03 billion U.S. dollars) Monday, an increase of 19.8 percent from 1990.

The budget bill, finalized in a high-level consultative meeting of government and Democratic Liberal Party (DLP) officials, is expected to be approved by the Cabinet Thursday and will be submitted to the National Assembly for approval late this month, a government official said.

The meeting also finalized a revision to the tax law that features a reduction of income tax for salaried workers.

The budget bill contains 7.75 trillion won (10.84 billion dollars) for defense, up 12.9 percent from this year, and an average 12.7 percent pay raise for civil servants, according to the official. Defense spending accounts for 28.5 percent of the total budget.

The defense budget triggered bitter controversy as the Economic Planning Board set the increase at 10 percent, partly reflecting moves for inter-Korean disarmament, while the defense ministry insisted it be raised in accordance with overall budget increase.

The budget also contains a special fund to build subways to solve traffic problems in Korea's largest cities, and transfers all revenues from the telephone tax and part from the liquor and land taxes to local governments to pay for highway construction projects, the official said.

Immediate Cement Import Increase Directed by No

SK1609005590 Seoul THE KOREA TIMES in English 16 Sep 90 p 2

[Text] Yongwol Kangwon-to—President No Tae-u yesterday ordered the government offices concerned to immediately increase imports of cement which is in short supply due to last week's flooding.

Inspecting the flood-stricken area here, he told officials, "A stable supply of cement must be secured to help repair damages. Increasing cement imports will offer a temporary solution to the problem.

Mun Ik-hwan Visit to Hospitalized Mother Noted

SK1709083990 Seoul YONHAP in English 0722 GMT 17 Sep 90

[Text] Seoul, Sept. 17 (YONHAP)—The Rev. Mun Ik-hwan, released from his cell to visit his mother in hospital, was taken to a nearby prison on Sunday morning when her condition showed signs of improvement.

The Justice Ministry moved the 72-year-old clergyman to Uijongbu Prison in Seoul, the closest detention house to his mother's hospital. Mun is serving a seven-year sentence for making an unauthorized visit to North Korea, but was allowed to make an escorted visit to his 97-year-old mother in hospital on Friday afternoon when doctors said she had only a few hours to live.

The reverend asked for permission to stay with his mother, but no prisoner is ever allowed out for longer than 24 hours to see an ailing relative, officials said. His mother also began to recover on early Sunday morning, they said. Mun will be immediately sent to the hospital if her condition deteriorates again, officials said.

Burma

Tear Gas Used To Break Up Mandalay Protest

BK1709141790 Rangoon Domestic Service in Burmese 1330 GMT 17 Sep 90

[Text] With the aim of causing unrest among people who prefer peaceful living and to disrupt the education of students who are studying peacefully, five former students who had been expelled from school last year—Kyaw Min Lwin, Tin Maung Than, Myat Ko, Ngwe Soe Lay, and Min Htin—wielding a sword, a dagger, and slingshots, climbed over a school compound wall from the back and entered No. 9 State High School in Mandalay Southwest Township at 0930 today, where preliminary examinations were being conducted. The group, joining force with (?several) students who were waiting for them to create disturbances, flew a flag, chanted slogans, and caused a commotion. They also made threats and called on the students who were in the classrooms for the examinations to join in the disturbances.

The group then threatened the principal, Daw May May Khin, and high school teacher U Tin Hla with their weapons and took away the examination questions and test papers from the students. At 1000, the mob grew to about 50 people. They chanted slogans and burned the examination questions and answer papers in the field in front of the school.

Security personnel arrived at the school to control the situation, but as there were also about 50 other onlookers, an appeal was made to disperse. While the appeal was being made, several students and people who were bent on creating disturbances threw rocks at the security personnel. As repeated appeals to disperse fell on deaf ears, the security personnel shot four tear gas cannisters to break up the crowds. At noon, the situation returned to normal.

Three security personnel suffered injuries as a result of rocks thrown by disturbance makers. Several people believed to have joined in the disturbances are being called in for interrogation so legal action can be taken.

Rangoon Radio Notes Surrenders of Insurgents

1-19 Aug

BK1509092390 Rangoon Domestic Service in Burmese 1330 GMT 14 Sep 90

[Text] More members of insurgent organizations who have come to realize their wrongdoing have been surrendering at military units with assorted weapons and ammunition. The following surrenders took place between 1 and 19 August:

Southeast Military Command: Private Aung Shwe from the security unit of the KNU [Karen National Union] 202 Battalion surrendered at Papun garrison, while Pvt. Win Shwe from the 2d Company of the 10th Battalion surrendered with one AK-47 automatic rifle at Taung Thon Lon garrison,and Pvt. Tun Aung from the 1st Battalion surrendered with an M-16 automatic rifle at Pyingadogon garrison. Pvt. Tin Cho U surrendered at Kyaikto garrison. Aung Win alias Myint Maung Htay, organization officer from the Democratic Alliance of Burma surrendered at Three Pagoda Pass garrison, while Pvt. Ohn Than from the ABSDF [All Burma Students Democratic Front] 201st Battalion surrendered at Taung Gale garrison. Aung Soe alias Myint Soe, tax collector and member of Thanbyuzayat Committee from the New Mon State Party, surrendered along with one hand grenade at Kyaikmaraw Township Law and Order Restoration Council.

Northwest Military Command: Min Ko from Burma Democratic Guerrilla Front insurgent organization surrendered at People's Police station in Kale. Pvt. Win Bahadur from the KIA [Kachin Insurgent Army] 101st Battalion surrendered at Shwebo garrison.

Northern Military Command: Pvt. Tin Tun from the KIA Fifth Battalion surrendered at Shwegu garrison.

Southern Military Command: Pvt. Soe Naing from the KNU 8th Battalion surrendered with one hand grenade and one detonator mine at Thabyenyunt garrison.

Northeast Military Command: Pvt. Sai Kan Khan from the 801st Battalion of the Burma Communist Party surrendered at Man Hio garrison.

Eastern Military Command: Pvt. Paw Tar from Shan insurgent Aik Hsi War's group surrendered with one M-22 automatic rifle at Wan Long garrison.

Those who returned to the legal fold were warmly welcomed at respective garrisons by the appropriate authorities.

23-31 Aug

BK1509153290 Rangoon Domestic Service in Burmese 1330 GMT 15 Sep 90

[Text] More members of insurgent organizations who have come to realize their mistakes have been surrendering at military units with assorted weapons and ammunition. The following surrenders took place between 23 and 31 August:

Northern Military Command: Privates Zaung Yang and Zon Peint from the KIA 253d Battalion surrendered at Waingmaw garrison. Pvts. Tha Htwe alias Than Htay, Khin Maung Aye, and Brang Aung surrendered with one M-21 automatic rifle at Hmaung garrison.

Southeast Military Command: Pvt. Aung Kyaw U from ABSDF [All Burma Students Democratic Front] 10th Battalion surrendered at Three Pagoda garrison.

Western Military Command: Lance Corporals Shaufi Ahmed and Khalan, Pvts. Abu Tambi, Abdul Islam, and Malawi Mawpula of the Kalasoe insurgent group surrendered with one BA-63 automatic rifle, two 303 rifles, and one homemade gun at Left Taungpyo police garrison. Pvt. Kyawsi Ahmood surrendered with one homemade gun at Magyitaung police garrison.

Those who returned to the legal fold were warmly welcomed at respective garrisons by the authorities concerned.

Brunei, Malaysia & Singapore

Malaysia

Radio Appeals for Food To Reach Jordan, Kuwait

BK1309102990 Kuala Lumpur International Service in English 0800 GMT 13 Sep 90

[Station commentary]

[Text] Malaysia has responded positively to Jordan's request for food supplies to alleviate the sufferings of hundreds of thousands of refugees who have fled to its territory as a result of the Gulf crisis. Yesterday, foodstuffs worth U.S. $100,000 were sent aboard a Royal Jordanian Airlines chartered flight from Kuala Lumpur to Amman. Its supplies included condensed milk, flour, rice, and cooking oil. Jordan is burdened with a massive influx of refugees who have crossed the Iraqi and Kuwaiti borders since the August 2d Iraqi invasion and annexation of Kuwait. Jordan appealed to foreign governments to send food items to feed these people who are stranded in its territory.

Since the imposition of UN economic sanctions against Iraq and occupied Kuwait, the question of emergency food aid to foreigners caught in the grips of the crisis has become a prominent issue. The sanctions committee, which include all 15 members of the UN Security Council, has been wrestling with this issue in order to find the best possible avenue to channel aid in whatever form to the stranded victims. A UN working group met late on Tuesday [11 September] night to reconcile differences over the food aid issue.

Apart from the refugees in Jordan, there are still many thousands more of foreigners left in Iraq and Kuwait facing a food crisis. Prior to the invasion, at least half a million people in Kuwait were from Asia, mainly from India, Pakistan, Bangladesh, Sri Lanka, and the Philippines.

Arising from the UN sanctions—the use of food as a political weapon—has caused the conflict. Western nations accused Iraq of exploiting the presence of foreigners with the aim of the sanctions being lifted. [Words indistinct] are pressing them, innocents are made to suffer as wealthy countries try to gain time for sanctions to take effect.

A draft from over 40 non-aligned countries presented by Cuba and Zaire, asks that under the present exceptional circumstances, at least one Indian ship be allowed to enter Kuwait with food. Where the UN is concerned, the main area of difference is over how the sanctions were useful is to be interpreted. The sanctions do allow food aid for humanitarian purposes but how the supply is to reach the stranded refugees is the question.

India has requested for a boat load of food to be allowed to pass through the naval blockade in the Gulf. The Philippines and Sri Lanka have appealed to the sanctions committee to get food to their citizens in Kuwait. A draft from over 40 non-aligned nations presented by Cuba and Zaire asks that under the present exceptional circumstances, at least one Indian ship be allowed to enter Kuwait with food.

Malaysia's action in sending food supplies to Jordan is purely on humanitarian grounds. Malaysians have felt the agony and anguish over the safety of their loved ones who were stranded in Iraq and Kuwait following the Gulf crisis. Happily for them, all Malaysians returned home safely. The Jordanian Government played a big role in ensuring the speedy return of the Malaysians. Malaysia is grateful for that gesture. She recognizes the need for human value to prevail in circumstances such as those that have arisen as a result of the Gulf crisis.

Minister Says China Travel Restriction Lifted

BK0909140390 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 9 Sep 90

[Text] Malaysians can now visit the PRC without restriction. This was announced by Deputy Home Affairs Minister Datuk Megat Junid Megat Ayub, who added that those planning to make their first visit to that country need only fill out immigration forms and have them processed within one day before applying for a PRC visa. They do not have to fill out immigration forms for subsequent visits.

The minister disclosed this to newsmen after participating in a walkathon program at a field by the parliament. The decision to lift all restrictions for Malaysians to visit the PRC was adopted last month. In July, the government also lifted travel restrictions to North Korea, Cuba, and Albania.

Earlier, those who wanted to go to the PRC had to be over 30 years old and travel in a group of more than 10 persons. The maximum travel time was 14 days. Travel arrangements had to be made through licensed travel agents only.

Economic Cooperation Pact Signed With Nigeria

BK0709132490 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 7 Sep 90

[Text] Malaysia and Nigeria signed an agreement on economic, science, and technical cooperation in Kuala Lumpur today. With this, bilateral relations between Group of 15 countries become closer. Foreign Minister Datuk Abu Hassan signed for Malaysia and Nigerian Budget and Planning Minister Dr. Chu S.P. Okongwu signed for Nigeria. The pact also covers cooperation in the fields of agriculture, manufacturing, banking, and finance. Datuk Abu Hassan said Malaysia and Nigeria have the potential to become good trading partners.

Finance Minister Discusses Economic Growth

BK1309040890 Kuala Lumpur BERNAMA in English 0340 GMT 13 Sep 90

[Text] Kuala Lumpur, Sept 13 (OANA-BERNAMA)—The Malaysian economy grew by 9.5 percent during the first half of the year compared with 8 percent during the same period last year, Finance Minister Daim Zainuddin said. Supporting this, he said Wednesday that private sector spending in the year's first quarter had also showed strong signs of continued growth.

He added that banks in the country were showing better financial performance. With the current high levels of profit, banks should increase their reserves to meet future challenges. As for smaller financial institutions, they should consider merging so that they would be better equipped to ride out the future fluctuations in the economy, he said.

Singapore

Paper Views Future Peace Prospects for Cambodia

BK1209125190 Singapore THE STRAITS TIMES in English 12 Sep 90 p 36

[Editorial: "First Step To Peace"]

[Text] The Cambodians have well and truly confounded all observers this time. Despite much finger-crossing among well-wishers, few, if any, would have dared hope just a few days ago that an end to Cambodia's long nightmare might finally be in sight. The signs, after all, were hardly auspicious. The past three years have seen a series of meetings between the four competing factions in Cambodia to try and end the 11-year conflict, only to have them dissolve in acrimony and mutual accusations. And the latest Jakarta meeting seemed set to go the same way, with Phnom Penh's Hun Sen initially refusing to attend because Prince Norodom Sihanouk said he was not coming, and with the Khmer Rouge leader, Khieu Samphan, grumbling that there seemed to be no point his going to talk to "junior puppets."

There can be little doubt that the Jakarta agreement, like the international sanctions against Iraq, owes a great deal to the ending of the Cold War and the new-found amity among the great powers. The Cambodian disputants, in particular the Vietnam-backed Hun Sen regime and the China-supported Khmer Rouge, obviously read correctly from the Aug 28 agreement reached among the United Nations' Big Five—the United States, Soviet Union, China, Britain and France: The signal was that the Big Powers now were determined to pursue their own agendas and supporting ideological allies in regional disputes was not one of them. For Vietnam, facing declining aid from the Soviet Union, the promise of American assistance and investments in the event of a satisfactory Cambodian outcome was probably a powerful incentive to push its Cambodian proteges into showing greater flexibility. The Khmer Rouge, for their part, must have been told that they can no longer afford to appear the sole obstacle to peace in the face of the mounting international campaign against them.

But will the agreement hold? Indonesia's Foreign Minister Ali Alatas, who has had the arduous task of trying to bring about a Cambodian settlement as ASEAN's interlocutor in the peace process and thus knows the problems better than most, was cautious. Although happy with the Cambodian pact, he also added a warning when speaking at the final press conference: "The road ahead of us may still be rough." Realists, reluctantly, have to agree. Even as leaders of the four factions were hailing the significance of their agreement on Monday, they were already exchanging accusations. And Mr. Alatas had to request reporters not to ask them questions that would have highlighted their differences. At the very least, it suggests that progress towards a ceasefire and a UN-supervised election will not come easily or smoothly.

The first big hurdle the new Supreme National Council (SNC) must cross is to decide how much power it will cede to the UN transitional authority that is to actually run Cambodia, including enforcing and monitoring the ceasefire and organising the elections, pending the formation of a freely elected government. Although the UN plan lists broad areas, for instance defence, security and finance, that the authority should control, it leaves the actual bodies, agencies and offices to be handed over to be determined by the SNC and the UN. Will Phnom Penh, which holds most of the levers, actually be prepared to cede control to the UN or will it use the SNC's consensus rule to frustrate progress? Similarly, will the four factions truly abide by a ceasefire and not try to extend their areas of control? And will they seriously consider handing over their arms to UN peace-keepers as required by the plan? Somehow, it is difficult to believe that peace is indeed at hand for the Cambodians. Nonetheless, having surprised the world by achieving their Jakarta breakthrough, they might just do it again. Especially if the Big Powers and everyone else keep the screws on them.

Cambodia

AFP Reports 'Sporadic Fighting' as SNC Meets

BK1809073490 Hong Kong AFP in English 0726 GMT 18 Sep 90

[Text] Bangkok, Sept 18 (AFP)—Sporadic fighting between Cambodian resistance guerrillas and Phnom Penh troops erupted inside Cambodia as the rival factions were holding their first meeting here of the newly formed interim authority, Thai military officials said Tuesday.

However, officials stationed along the Thai-Cambodian border said there had been a lull on battlefields along the border. They said that clashes between resistance guerrillas and Phnom Penh troops were continuing in the

northwestern province of Siem Reap and in the northern province of Kompong Thom.

An Army officer based at the Thai border province of Surin told AGENCE FRANCE-PRESSE there had been no clashes between the guerrillas and Phnom Penh troops near the border in the last two months. "The heavy fighting has since earlier this year moved deeper into Cambodian territory," the officer said, adding that fighting around the two provinces and in Banteay Meanchey, near Siem Reap, died down about a week ago.

Another officer based in the key Thai border district of Aranyaprathet said the strategic highway linking Poi Pet border town and Banteay Meanchey was firmly under Phnom Penh's control and the resistance had not attacked it.

The guerrilla coalition, made up of the Khmer Rouge and two smaller groups loyal to Cambodian former monarch Prince Norodom Sihanouk and ex-Prime Minister Son Sann, has been fighting forces of the government installed in Cambodia almost 12 years ago following Vietnam's invasion to overthrow the Khmer Rouge.

The first meeting of the Supreme National Council (SNC), an interim authority the warring factions agreed to form in peace talks last Monday in Jakarta, began here Monday and adjourned inconclusively. It was to resume later Tuesday. The SNC includes representatives from Phnom Penh and the three resistance factions and will symbolize Cambodia's sovereignty until U.N.-sponsored elections are held.

Siem Reap Fighting in Week to 3 Sep Reported

BK1309081590 Phnom Penh SPK in English 0514 GMT 13 Sep 90

[Text] Phnom Penh SPK September 13—According to military sources from Siem Reap Province (300 km northwest of Phnom Penh), in sporadic fightings during the week to September 3, the government troops killed 67 enemy troops, wounded 57 and captured two others. They also seized 13 assorted guns and a quantity of ammunition. On September 3, the government forces launched an attack at the "15.64" position, killing 11 enemy troops including one lieutenant colonel, wounding 20 others and collecting four fire-arms and a quantity of other war means.

Bou Thang Tours Stung Treng, Distributes Goods

BK1109085390 Phnom Penh SPK in English 0449 GMT 11 Sep 90

[Text] Phnom Penh SPK September 11—Bou Thang, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee, vice premier and head of the General Political Department of the Cambodian People's Armed Forces, has recently toured Stung Treng province (some 300 km from Phnom Penh). During his stay there Vice Premier Bou Thang visited the population of Chrab village, Sesan District, and distributed consumer goods to more than 800 families. He also donated 200,000 riels (Cambodian currency) to the local people for the construction of a new school in the village.

Meeting with provincial officials in the provincial town, Vice Premier Bou Thang explained the resolutions of the 11th party plenum.

Sen. Lieut. Gen. [Senior Lieutenant General] Bou Thang made public the Defence Ministry's decision to promote Colonel (?Kham Chan) to major-general and Major (?Heng Chanrin) to lieutenant-colonel. He conferred "Victory" orders on a number of units and individuals of regiment 17 in the 1st Military Zone for their outstanding achievements.

Chea Sim Addresses Trade Union Conference

BK1309045290 Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Sep 90

[Text] On the morning of 11 September, at the office of the Cambodian Federation of Trade Unions [CFTU], the Third National Conference of Trade Unionists was solemnly opened under the chairmanship of Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of both the National Assembly and the front's National Council. Also attending the meeting were comrades from the CFTU Central Committee, chairmen and vice chairmen of municipal and provincial trade unions, trade union administrative boards from central ministries and services, and many cadres from the CFTU office.

After Comrade Mat Ly, member of the party Central Committee Political Bureau, vice chairman of the Central Control Commission, and vice chairman of the National Assembly, opened the meeting, Comrade Say Siphon, alternate member of the party Central Committee and CFTU vice chairman, read a report summing up the results that trade unions from all localities achieved in nine months in 1990. The report stressed that in the past nine months, many of our workers made efforts to promote production and achieved 80 percent of the annual plan. The rubber planting area increased by over 50,000 hectares representing 95 percent of the annual plan. Our workers also tilled over 190,000 hectares of land, or 78 percent of the annual plan. Many cadres and staff in other units also carried out well their tasks.

The meeting was honored by the contribution of Comrade Chea Sim, who addressed the meeting pointing out the national and international situation, particularly our Cambodian Government's stance in the search for a reasonable solution to the Cambodian problem. The comrade also appreciated the activities of all employees who have done their best to finely contribute to implementing well the slogan: Everything for the battlefield and everything for increasing the people's confidence in our new regime. The

comrade also called on the meeting participants to continue to more vigorously and energetically promote trade union work from now to the end of 1990.

VONADK Urges Convening of Paris Conference

BK1809045990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 17 Sep 90

[Article: "The Supreme National Council Is the Unique Legitimate Body and Source of Authority in Cambodia During the Transitional Period"]

[Text] The first chapter of the five documents of the five permanent members of the UN Security Council [UNSC] stipulates that it is necessary to set up a Supreme National Council as a unique legitimate organization and source of authority representing the sovereignty and unity of Cambodia throughout the transitional period. On 10 September, the four Cambodian parties agreed to set up the Supreme National Council [SNC] on the basis of the five documents of the five UNSC members.

The Jakarta joint statement on the establishment of the SNC clearly stipulates that the SNC is the unique legitimate organization representing the independence, sovereignty, and national unity of Cambodia during the transitional period. This means that the sole state power in Cambodia is the SNC headed by Samdech Norodom Sihanouk.

The Cambodian people welcome and fully support the SNC headed by Samdech Norodom Sihanouk as the sole legitimate organization of Cambodia during the transitional period. The Cambodian people also call on the SNC to accelerate the convening of the Paris International Conference on Cambodia as soon as possible in order to elaborate the implementation method of the five-chapter documents of the five UNSC permanent members to bring peace to Cambodia and restore peace, security, and stability in Southeast Asia.

VODK Welcomes 'Five Documents' of UNSC

BK1809035990 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 17 Sep 90

[Article entitled "Only After the Five Documents of the UN Security Council Are Implemented Concretely and Thoroughly Can There Be Sufficient Conditions for Ending the Vietnamese War of Aggression Against Cambodia"]

[Text] The five permanent members of the UN Security Council [UNSC] have issued five documents for a comprehensive political settlement of the Cambodian problem. These five documents deal with:

1. The temporary establishment of a Cambodian administrative body prior to the elections—the Supreme National Council—with participation of the four Cambodian parties to represent Cambodia's independence, sovereignty, and national unity.
2. The military arrangement during the transitional period, namely the establishment of a UN transitional authority in Cambodia made up of both military and civilian personnel to ensure the implementation of the cease-fire and other measures related to the cease-fire.
3. The elections under UN supervision in which the process and procedures of the elections are stipulated.
4. The protection of human rights and all fundamental rights and freedoms of Cambodia as defined in international treaties on this matter.
5. The international guarantee to safeguard Cambodia's independence and sovereignty and prevent foreign aggression against Cambodia or foreign interference in Cambodia's internal affairs.

The world community welcomes these five documents of the five UNSC permanent members and regards them as appropriate measures for settling the Cambodian problem comprehensively through political means. The Cambodian people joyously welcome these five documents and hope they are implemented concretely, comprehensively, and totally to permanently end the Vietnamese war of aggression against Cambodia and to restore peace and security in Cambodia and stability in Southeast Asia.

VODK: Cambodians Want War To End 'Quickly'

BK1809035290 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 17 Sep 90

[News commentary: "All Our Cambodian Nationals Are Happy With the Formation of the Supreme National Council Headed by Samdech Norodom Sihanouk To Proceed Toward Quickly Achieving a Comprehensive Political Settlement of the Cambodian Problem"]

[Text] Over the past nearly 12 years of the Vietnamese war of aggression against Cambodia, our Cambodian nationals have all experienced the most tragic suffering and misery. They have been separated from their families, parents, brothers, sisters, spouses, and children and from their homeland.

All our Cambodian nationals want the Vietnamese war of aggression in Cambodia to end as quickly as possible so Cambodia can regain peace, security, independence, sovereignty, and national integrity. Only when Cambodia enjoys peace, independence, and sovereignty can all our Cambodian nationals have the rights and freedoms to live peacefully and earn their living in their own land. Therefore, all our Cambodian nationals are very happy with the setting up of the Supreme National Council [SNC] headed by Samdech Norodom Sihanouk and hope that the SNC, in cooperation with the United Nations, thoroughly implements the documents of the five permanent members of the UN Security Council to quickly restore peace and stability in Cambodia.

VONADK Broadcasts Slogans Welcoming SNC

BK1609030690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 15 Sep 90

["Chapter One of Political Slogans"]

[Text] 1. Welcome and fully accept the documents of the five permanent members of the UN Security Council

[UNSC] which are the only complete and basic documents for solving the Cambodian problem politically and comprehensively.

2. Welcome the establishment in Jakarta of the Supreme National Council [SNC] headed by Samdech Norodom Sihanouk.

3. The SNC headed by Samdech Norodom Sihanouk should proceed within the framework of a comprehensive political settlement to end the Vietnamese war of aggression against Cambodia.

4. The SNC headed by Samdech Norodom Sihanouk should proceed as part of a settlement to definitively end Vietnam's war of aggression against Cambodia within the framework of the five documents of the five permanent members of the UNSC.

5. The SNC headed by Samdech Norodom Sihanouk should proceed toward the Paris International Conference on the Cambodian problem in order to arrive at an agreement to end Vietnam's war of aggression against Cambodia through the concrete implementation of a comprehensive political settlement.

6. Only the five documents of the five UNSC permanent members and only through the Paris International Conference on all aspects of the Cambodian problem can basic and sufficient conditions to definitively end Vietnam's war of aggression in Cambodia be provided, thereby restoring security and peace to Cambodia and stability to Southeast Asia.

7. Cambodian compatriots are happy with the five documents of the UNSC permanent members and the establishment of the SNC headed by Samdech Norodom Sihanouk; happy that the SNC is Cambodia's only state organization in the country and in the international arena; and happy that the SNC is Cambodia's only organization to reconcile and unify the nation.

8. All are happy to accept and respect the fifth document of the five permanent members of the UNSC which stipulates that Cambodia's independence and neutrality should be maintained and protected and that acts of aggression against Cambodia as well as outside interference in Cambodia's internal affairs should be opposed.

9. All are happy and agree that Cambodia should safeguard its independence, sovereignty, territorial integrity, and national unity.

10. All are happy and agree that all countries recognize and respect Cambodia's independence, sovereignty, territorial integrity, neutrality, and national unity.

11. All are happy with the establishment of the SNC with Samdech Norodom Sihanouk as head and happy that the SNC is Cambodia's only state organization in the country and in the international arena.

12. All are happy to accept the fourth document of the five permanent members of the UNSC dealing with the respect and defense of human rights.

13. All are happy to accept and respect every aspect of human rights: political rights, economic and life-style rights, spiritual rights, moral rights, rights of expression, cultural, learning, and educational rights, and rights of belief and religion. Each individual should enjoy all these rights.

[(Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian at 2315 GMT on 14 September adds the following slogan:

[All are very pleased and agree with Article 34, Chapter 5 of the document of the five UNSC permanent members, which stipulates that all agreements and treaties affecting Cambodia's independence, sovereignty, territorial integrity, neutrality, and national unity should be revoked.]

VODK Expands Political Slogans on Human Rights

BK1809025290 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 17 Sep 90

["Chapter Two of Political Slogans"]

[Text] 1. All are happy to accept the fourth document of the five permanent members of the UN Security Council dealing with the respect and protection of human rights.
2. All must respect the Cambodian people's fundamental rights and freedoms.
3. All must enjoy all the rights as defined in the Universal Declaration on Human Rights.
4. All must respect the UN Charter.
5. The fourth document of the five permanent members states that within the framework of the agreement on the comprehensive political settlement of the Cambodian problem, all states that have signed the agreement on the comprehensive political settlement of the Cambodian problem must undertake to respect the fundamental rights and freedoms in Cambodia.
6. All are happy to respect human rights in Cambodia and all the rights and freedoms in Cambodia without distinction of any social status.
7. All are happy to accept and respect every aspect of human rights—political rights, economic rights, rights to live, spiritual rights, moral rights, rights of expression, cultural and educational rights, and rights of belief and religion—that every individual should enjoy.

Enemy Troops, Administrators Urged To Flee

BK1109100790 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 10 Sep 90

[Station "Notice"]

[Text] Our Voice of the National Army of Democratic Kampuchea would like to issue this notice for the information of the Cambodian soldiers, militiamen, and administrators who have been forced by the Hanoi authorities to fight and die on their behalf in serving their policy of aggression and occupation everywhere throughout Cambodia while the world community has been pressuring the Hanoi authorities and their puppets and lackeys—the traitorous Hun Sen-Heng Samrin clique—to settle the Vietnamese war of aggression in Cambodia through a comprehensive political solution. This means that the Hanoi authorities must withdraw all their aggressor forces from Cambodia under UN supervision.

So far, the whole world is pressuring the Vietnamese enemies and their lackeys—Hun Sen and Heng Samrin—to accept the documents of the five permanent members of the UN Security Council.

You, the fraternal Cambodian soldiers, militiamen, and administrators, have all been forced by the Vietnamese aggressors and their lackeys—traitors Hun Sen and Heng Samrin—to fight and die on their behalf. You have been separated from your beloved mothers, fathers, wives, and children. You have to live in forested and mountainous areas where many of you have suffered from malaria and have died every day without achieving anything worthwhile to pass on to your families and relatives.

Since the world community is forcing the Vietnamese aggressors to withdraw from Cambodia, you should quickly flee back home to be with your relatives and wives. If you do not flee, you will one day die either from malaria or from hitting land mines and booby traps. You should quickly desert the Vietnamese aggressors and traitorous Hun Sen-Heng Samrin ringleaders.

Regiment Commander Claimed Killed in Ambush

BK1109061590 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 10 Sep 90

[Text] On 3 September, the Vietnamese enemies and their puppets mobilized their forces from Phnom Penh city and Kampot and Takeo provincial units totaling one regiment, including a company unit composing entirely of Vietnamese troops, and sent them out, together with artillery pieces of all calibers, to resist us on (Cham Tiev Mao) hill in Kompong Trach District, Kampot Province. Our national resistance forces ambushed the enemy forces for one whole day and routed them. They fled in disarray back to Kompong Trach. We killed nine enemy soldiers, including a battalion commander and a regiment commander, and wounded 16 others. We destroyed a drum-magazine machine gun, five B-40's and B-41's, and a 60-mm mortar; and seized two AK's, a B-40, and a quantity of assorted ammunition and war materiel.

Khmer Rouge Allow Thais To Mine Pailin Gems

BK1309093490 Bangkok THE NATION in English 12 Sep 90 p 5

[By Kritsada Sawatdichai and Kokhet Chanthaloetlak]

[Text] Chanthaburi—The Khmer Rouge has allowed a group of Thai gem traders to mine in an area it occupies in the gem-rich town of Pailin in Cambodia's Battambang Province, sources said.

Speaking to THE NATION on Monday, the sources said a group of some five merchants had received a concession last month to dig for precious stones in Pailin. The group began transporting workers and heavy equipment to the Cambodian town last week. The sources said the group won the concession by agreeing to build a 12 kilometre road from Pailin to the Noen Phi border checkpoint in this eastern province.

Noen Phi located in Ban Pakkat village of Pong Nam Ron District and about 30 kilometres from Canthaburi's Muang District, is one of the checkpoints along the Thai-Cambodian border which were opened to facilitate cross-border trade. The checkpoints were opened in line with Prime Minister Chatchai Chunhawan's ambitious policy of turning Indochinese battlefields into market places.

The merchants also agreed to pay an undisclosed percentage of the sales from the gems to the Cambodian resistance faction, according to the sources who requested anonymity.

In an attempt to control the gem-rich town for its economic benefits, the Khmer Rouge launched an all-out attack on Pailin and "liberated" it from Phnom Penh troops late last year. Thais had mined for stones there but retreated to Thailand during the attacks by the communist faction.

So far the merchants have invested more than Bt [Baht] 22 million to build the road, the sources said. The 100 Thai workers and five bulldozers which were sent to Cambodia for mining are also constructing the road which has been cut across the border, according to the sources. To facilitate the mining and road construction, Khmer Rouge troops have issued special border passes for the Thai workers, the sources said.

Meanwhile, several gems merchants have been frantically searching for Pailin stones in Chanthaburi and Trat after hearing they had been brought into Thailand. Thai traders consider Pailin stones to have a higher quality than local products. But the merchants so far have failed to locate any Pailin stones on the Thai markets.

The Khmer Rouge has also recently allowed a large number of Thais to dig for gems in Bo Lang and Khao Phet areas opposite Bo Rai District of Trat Province. A merchant who recently returned from the areas said nearly 100,000 Thai and Karen nationals were mining for precious stones there.

Indonesia

AFP Says Dissident Leader Dharsono Released

BK1609044990 Hong Kong AFP in English 0421 GMT 16 Sep 90

[Text] Jakarta, Sept 16 (AFP)—Indonesian dissident leader Hartono Dharsono was released from jail here Sunday after serving [a] jail term for anti-government activities.

Retired Lieutenant General Dharsono, former secretary general of the Association of Southeast Asian Nations from 1976 to 1978, was cheered by more than 1,000 of his supporters and friends as he left the Cipinang Prison.

He was driven in a car with his wife and relatives and left immediately for the west Java town of Bandung, where he lived.

Many other leading dissidents, including former Jakarta Governor Ali Sadikin, were present to greet him at the prison gate. Some 50 students from Bandung, wearing T-shirts with a picture of Mr. Dharsono in military uniform, had stood outside the prison since midnight.

Mr. Dharsono, 65, was convicted in January 1986 by a court here of subversion for his role in producing a dissident white paper in 1984 that challenged the government's account of bloody clashes between the military and a crowd of Moslem youths in the capital.

Minister Says OPEC Unity 'Remains Strong'

BK1409103990 Jakarta ANTARA in English 0947 GMT 14 Sep 90

[Text] Jakarta, Sept 14 (OANA-ANTARA)—The sense of unity among OPEC members remains strong and will not be affected by the Gulf crisis, Indonesian Minister of Mines and Energy Ginanjar Kartasasmita said here Friday [14 September]. OPEC members remain united even though there is difference of opinion among them as the result of the Gulf crisis, the minister told ANTARA after a Friday prayer.

The 13-member Organization of Petroleum Exporting Countries was established in Baghdad on September 14, 1960 by Iraq, Iran, Kuwait, Saudi Arabia, and Venezuela. Indonesia became the sixth member of OPEC in 1962, followed by Qatar, United Arab Emirates in 1967, Algeria (1969), Nigeria (1971), Equador and Gabon (1975).

The unity and integrity of OPEC members have passed various tests and its members could not be affected by political situation, he said adding that the eight-year Iraq-Iran war in the 1980's did not result in the split of OPEC. He said that the political situation in the Gulf region had not yet arrived at a level which could lead to an OPEC split.

Ginanjar, who is acting OPEC's deputy president, denied the opinion that OPEC's decision of increasing production to meet the world's short supply would only benefit the industrialized countries. The OPEC decision is made for the interest and the benefit of its members, and to help the developing countries which fall short of oil such as India, Pakistan, Bangladesh, and the Philippines.

Alatas Seeks To Calm 'Uproar' Over Lee Remark

BK1309164390 Hong Kong AFP in English 1630 GMT 13 Sep 90

[Text] Jakarta, Sept 13 (AFP)—Foreign Minister Ali Alatas has sought to calm an uproar here over remarks by Singapore Premier Lee Kuan Yew about Indonesia's first president Sukarno, saying that it had been a "slip of the tongue." The remarks were not intended to start a rift with Indonesia, Mr. Alatas assured a parliamentary hearing here late Wednesday. "Let's say he made a slip of the tongue," he added.

Many leading MPs have urged the government to protest to Singapore for Mr. Lee's remarks made during a National Day rally on August 26, in which he praised current President Suharto for his successful economic policies but criticized the late Mr. Sukarno for his personal political ambitions.

Mr. Alatas said he had called the Singaporean ambassador here for an explanation, and this had reaffirmed his belief that Mr. Lee had not intended to meddle in Indonesia's domestic affairs. Mr. Lee had spoken without a text, he said. "We have to put this issue in its right proportion," Mr. Alatas said, adding that the government had no intention of pursuing the matter further for the moment. The minister said however he welcomed the statement by MPs which he said would make Singapore more aware of Indonesia's sensitivities.

Laos

Foreign Ministry Statement on Jakarta Talks

BK1509090790 Vientiane Domestic Service in Lao 0500 GMT 15 Sep 90

[Text] Recently, our Foreign Affairs Ministry issued a statement on the success of the informal meeting held in Jakarta on the Cambodian problem.

The statement says: On 10 September, the informal meeting in Jakarta was concluded with brilliant success when all Cambodian factions unanimously agreed to endorse a joint communique on a plan to settle the Cambodian problem issued earlier by the five permanent members of the UN Security Council. The Cambodian factions also unanimously agreed to set up the Supreme National Council to act as a symbol of Cambodian independence, sovereignty, and unification and as the representative of Cambodia in international relations and at the United Nations as well as at various international organizations and conferences.

As a neighbor, the Lao People's Democratic Republic always desires and has never ceased making efforts together with other countries to bring peace and happiness to the Cambodian people. We welcome all steps that will lead to the attainment of this esteemed objective. We regard the outcome of the Jakarta conference as an important step that will lead to an overall, fair, and reasonable political settlement to the Cambodian problem, thereby ensuring the right of self-determination and the independence and sovereignty of Cambodia.

Economic Relations Minister Reviews Foreign Aid

BK0709030890 Vientiane KPL in English 0855 GMT 6 Sep 90

[Text] Vientiane, Sept 6 (KPL)—Since early 1980, the beginning of the first five year plan for socio-economic

development, Laos has received on average a 90 million U.S. dollars foreign aid and loans a year, as a result of the policy of liberalizing economic cooperation with foreign countries on an equal footing and mutual benefit basis, Minister of Foreign Economic Relations Phao Bounnaphon told KPL.

The aid from socialist countries, mainly the Soviet Union and Vietnam, covers the large amount of the foreign aid. Those from friendly countries, in particular Japan, Sweden, Australia, EC member countries, France and West Germany has been on an increase from year to year. Besides, the aid from the UNDP [United Nations Development Program] and other UN specialised agencies, and non-governmental organisations has been also substantial, the minister said.

In addition, he said, the World Bank, the Asian Development Bank, the International Fund for Agriculture, and the International Monetary Fund have granted to Laos their concessional loans with long-term repayments.

Through these foreign aid and loans, we can achieve to a certain degree the targets set out in the development plan including the construction and improvement of roads 1, 10, 6, 7, 13, 8, 2, 4, and of bridges of Kading, Pak-negun, Sedon and Theun River. Furthermore, with the foreign assistance other public facilities have been built and expanded. They include the Nam Ngeum and the Seset hyro-power stations the Keng Kabao Mekong port, the km 4 river port, the Pak Beng river port of Luang Prabang, the wood processing factory, the ply-wood factory, hospitals, schools, the satellite station, the National Radio Station, the livestock stations in Lat Sen, Nam Seuang, and the chicken farm in Na Phok.

All these facilities provide a foundation for development of agriculture, industry, education, public health, culture beneficial to improving the living standard of the national people, the minister added.

Phoumi Vongvichit Receives Korean Youth Group

BK1209101790 Vientiane KPL in English 0854 GMT 12 Sep 90

[Text] Vientiane, Sept 12 (KPL)—Mr. Phoumi Vongvichit, acting president of the Lao PDR [People's Democratic Republic], yesterday received here a visiting delegation of the Socialist Working Youth League of Korea CC [Central Committee] headed by its president, Chai Yong-hai.

The acting president discussed with his guests the relationship and cooperation between Lao and Korean youths who have similar approach in many aspects, in particular in mobilizing the youth forces to take part in their national development.

Phoumi Vongvichit then voiced his pleasure and support for the Korean national reunification's efforts.

International Youth Conference Opens 13 Sep

BK1509121990 Vientiane Domestic Service in Lao 0000 GMT 14 Sep 90

[Text] The Lao People's Revolutionary Youth Union Central Committee in collaboration with the World Federation of Democratic Youth [WFDY] officially opened the WFDY's first consultative conference in the Asia and Pacific region in Vientiane yesterday afternoon. Over 50 youth representatives from over 10 countries are attending the conference.

The objectives of this historic meeting are to allow participants to exchange views on the progress of youth activities in each country; review undertakings of the WFDY in this part of the world, political directions, working methods, and structures of the youth organizations that have been recognized by the WFDY administrative committee during the Berlin meeting; and discuss the promotion of cooperation and solidarity among member organizations in this region, the draft resolution on the Asia and Pacific region to be presented to the upcoming congress, celebration of major events, admission of new members, financial condition of the WFDY, various proposals for improvement of the regional situation, and issues related to the 13th congress scheduled to take place at the end of this year.

The conference will be closed on 14 September after a two-day sitting.

Nouhak Phoumsavan Congratulates MPR Leader

BK1209101390 Vientiane KPL in English 0856 GMT 12 Sep 90

[Text] Vientiane, Sept 12 (KPL)—Mr. Nouhak Phoumsavan, president of the People's Supreme Assembly [PSA] of the Lao PDR [People's Democratic Republic], recently sent a message of congratulations to Mr. J. Gombojbyn who was elected as president of the MPR [Mongolian People's Republic] People's Great Hural.

The Lao PSA president congratulated him over his election to the post and expressed wishes for the further developed traditional relations of friendship, solidarity and cooperation between Laos and Mongolia.

Sali Vongkhamsao Meets FAO Official on Aid

BK1109104390 Vientiane KPL in English 0904 GMT 11 Sep 90

[Text] Vientiane, Sept 11 (KPL)—Mr. Jozef Toczek, FAO's [Food and Agriculture Organization's] representative to Laos recently disclosed that the FAO will continue to give more aid to Laos in the immediate future in particular for the development of agriculture and forestry and the protection of environment in Laos.

He said this when he met with Mr. Sali Vongkhamsao, minister of economy, planning and finance, who told the

former of the Lao Government's appreciation over the result of FAO's assistance toward economic development in Laos.

This international organisation is known among the others which have provided Laos regular aid over the years. Especially, it has extended several times its relief aid to Lao people in the drought sticken areas.

Feature Views Development of Mountainous Region

BK1309113390 Vientiane Domestic Service in Lao 0430 GMT 13 Sep 90

[Feature: "Six Years of Developing Mountainous Areas"]

[Summary] "The past six years constituted an initial test for the endeavors made by cadres, combatants, and personnel of the Mountainous Region Development Company to create a new hope in the mountainous region for the multiethnic people who have been suffering for many generations from oppression and exploitation by both new and old colonialism. The Mountainous Region Development Company was established on 29 August 1984 under the jurisdiction of the National Defense Ministry." Engaging in forestry business, the company has been trading with a number of localities and foreign firms and cooperating with local administrations in cultural and socioeconomic development. The company has been successfully developing rural areas and propagating the party's and state's policies among the people at the grass roots in Bolikhamsai Province.

During the period under review, the company has set up a number of industrial production bases including factories, schools, and hospitals worth nearly 6 billion kip so as to generate revenue for the company. As a result, the former dense jungle area has been developed into a township with electricity and running water by cadres, combatants, and workers of the company who are always willing to make every sacrifice for the well-being of the multiethnic people. Starting from one school with only 100 students, the company has so far built nearly 20 schools for over 2,000 students.

Meanwhile, political study courses have been regularly organized for the company's personnel. At present, the company has over 40 business units and branches both inside and outside the country engaging in both import and export businesses. In 1989, they generated a total revenue of over 14 billion kip with the company recording a net profit of 1 billion kip by the end of the year. The company has accumulated a reserve of over 3 billion kip and a 1,600-ton cargo ship and maintains trade relations with over 10 foreign countries. Besides taking care of its personnel, the company has helped alleviate food shortages for people in various localities. The company's personnel have also implemented the party's and state's plans and policies at the grass-roots level to increase production and improve the people's livelihood.

During the past six years, the company encouraged the people in various villages in the areas of its responsibility to give up slash-and-burn cultivation and shift to fixed rice farming. Cooperatives were set up for people in the villages where conditions are unsuitable for rice cultivation so they can produce masonry or grow coffee plants with initial investment capital provided by the company, which, in return, buys the products from these cooperatives. Irrigation networks were constructed by the company to fetch water for hundreds of hectares of paddy fields. Through these achievements, the company has created a new hope for the people and gained their confidence in our party and state. The people have now been rescued from difficulties and hardships. The people are now enjoying a better life.

"Today, the people are walking on asphalt roads and see with the bright light from electric bulbs. Children of the laboring people have the opportunity to go to school. In their free time, the people can sell their products at the market. Consequently, the people have been encouraged to attentively contribute to the tasks of national defense and maintenance of public security."

Philippines

Upcoming Meeting on U.S. Bases Previewed

HK1709030990 Manila THE MANILA CHRONICLE in English 17 Sep 90 pp 1, 6

[By staff member Tress M. Reyes]

[Text] While the Philippines and the United States are agreed on a phaseout of the U.S. bases here, the negotiators are expected to argue over the time frame, terms and conditions for phaseout when the talks begin tomorrow.

President Aquino will issue a statement as representatives of both countries begin their talks at a venue which officials refuse to disclose for security reasons.

The U.S. panel, headed by former assistant secretary of defense Richard Armitage, will push for a 10-year phaseout period for the bases, but Philippine negotiators are expected to demand the immediate closure of Clark Air Base by September 16, 1991, when the Military Bases Agreement (MBA) expires.

If the Americans push hard enough, the Government may, under the "right" (albeit unspecified) conditions, allow them to keep Clark for three more years—time enough to convert it into an international airport terminal as planned by the Legislative-Executive Bases Council (LEBC), and prevent dislocation of Filipinos directly or indirectly employed by the base.

As for Subic Naval Base, a maximum phaseout period of eight years, which will totally rid the country of bases by the turn of the century, would be acceptable to the Philippine panel, sources said.

Time and again the U.S. had stated it was easier for it to give up Clark than Subic if the situation forced it to make a choice. But it recently indicated it wanted to

maintain military access to both bases, including Crow Valley in Tarlac and four other smaller installations here, possibly on a "commercial basis."

The Philippine panel appears amenable to this, stressing that after the bases are phased out, these must be turned over to the Philippine government which would then hire private contractors to operate the facilities, sources close to the Philippine panel said. The U.S. or any other country may enter into agreement with these contractors as long as they do not involve military troops or forces because such an arrangement would require a treaty, as provided by the Constitution.

Alex Magno, a professor at the University of the Philippines, said that a new bases treaty calling for an immediate U.S. pullout from Clark and a reasonable, definite date for the closure of Subic and other U.S. facilities would sufficiently convince the Senate—which must ratify the treaty—and the public of the government's sincerity in removing the bases.

Commercial use of the bases, once operationalized by private companies, would also be acceptable, according to Magno, because this would remove the political alliance between the U.S. and the Philippines.

Compensation is another ticklish issue which both panels have to resolve considering U.S. budgetary constraints (the U.S. is feeling the crunch of its $320-billion budget and trade deficits, among others) and the Philippines' dire need for dollars, which was recently aggravated by the Gulf crisis.

Aside from insisting that the U.S. once and for all agree to all "rent" the money it pays to keep its bases here, the Philippine panel is expected to demand compensation at least equivalent to what it is now getting even if Clark is withdrawn as well as to push for preferential trade access to the U.S. market.

The U.S. is likely to object to such a package. For the past few years, it has been harping on "burden-shraing" with its allies, stressing that it could no longer shoulder alone the cost of ensuring world peace.

Although the Philippine panel's plan, as disclosed by Manglapus, would be to allow Armitage's group to make its proposal first during this first phase of the negotiations, its own idea for a new treaty is patterned after the Spanish model covering the U.S. bases in Spain.

It would be a broad treaty on Philippine-U.S. friendship, cooperation and security, good for 10 years. Attached to it would be supplemental agreements on different aspects of Philippine-U.S. relations which would put substance into the broad treaty. Each agreement would have a different effectivity period.

One of these would be a three year supplemental agreement for the phaseout of all U.S. bases, but the Philippine negotiations would push to separate the portion on compensation and include it instead in the supplemental agreement on economic cooperation which would last 10 years.

This way, the country would continue enjoying the economic benefits of being a U.S. ally even after the bases had been removed.

But it is doubtful if the U.S. panel would agree to this. And official close to the panel said: "Chances are, they (the Americans) won't agree to anything that would economically last longer than the military agreement."

Other contentious issues like unhampered military operations, criminal jurisdiction, nuclear weapons, and social costs are expected to be tackled again in the talks.

Sources at the foreign office said a new bases treaty would likely exclude the controversial clause in the MBA giving the U.S. absolute control over the use of the bases without needing to seek permission from the government, a provision that only exists in the U.S. treaty with the Philippines.

Magno said that replacing the MBA provision with silence was a "diplomatic way" of doing away with it. Absence of the clause would actually give the Philippine base commander "flexibility" in handling contingencies, giving him leeway in choosing when to assert Philippine sovereignty and refuse the use of the bases for military operations against other states.

The Philippine base commander would also be crucial in enforcing the anti-nuclear weapons clause in the Constitution, which the Manglapus panel is expected to assert during the talks. Despite the U.S. position of neither confirming nor denying the presence of nuclear weapons in its bases, more than half of the ships in Subic base are nuclear capable.

Meeting Opens To Discuss Future of U.S. Bases

Three Options Approved

HK1709061790 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 17 Sep 90

[Text] Philippine negotiators are expected to meet with their U.S. counterparts today to discuss the fate of U.S. military bases in the country. Chief negotiator and Foreign Affairs Secretary Raul Manglapus will meet U.S. special negotiator Richard Armitage to tackle three possible options for the bases: One, closure of Subic Naval Base, Clark Air Base, and other minor U.S. military camps by 16 September 1991. Two, closure of Clark Air Base on 16 September 1991 and retention of Subic Naval Base until 16 September 1994. Three, simultaneous closure of all U.S. military facilities by 16 September 1996 or 1998.

In spite of the options spelled out, Manglapus said that he will maintain a wait-and-see attitude and wait for an offer from Armitage.

Meanwhile, the three options have been officially approved by the Presidential Bases Committee headed by Executive Secretary Catalino Macaraig.

Maceda Outlines His Proposal

HK1709121590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Sep 90

[By Cesar Chavez]

[Excerpt] Senate defense committee chairman Senator Ernesto Maceda today proposed a simultaneous five-year phaseout treaty and two-year executive agreement on the U.S. military bases.

In a press conference Maceda said that he proposed the five-year phaseout treaty because the government is not yet prepared to face the country's problems, which could worsen the moment the military bases are removed by 16 September 1991, the bases agreement expiry date.

According to Maceda, if the military bases go by 1991, the government will lose the $481 million rent by the U.S. government aside from displacing about 58,000 Filipino workers in the bases, not to mention the Filipino contractors based there. Maceda also stated that if the military bases go more Filipinos will lose their jobs, aside from the already displaced workers due to the Middle East crisis and the 16 July killer quake.

In view of this, Maceda proposed the approval of the five-year phaseout treaty and at the same time approval of the executive agreement.

According to Maceda, the two-year executive agreement from 1991 is needed because if the five-year phaseout treaty fails to get approval from the Senate, there will still be a law to follow in the removal of the U.S. bases. [passage omitted]

Armitage Arrives for Talks

HK1709105390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Sep 90

[Excerpts] The second round of the RP [Republic of the Philippines]-U.S. bases talks will officially start tomorrow, 18 September, when the Philippines and U.S. panels meet to discuss the fate of U.S. military bases in the country. U.S. special negotiator Richard Armitage arrived in Manila at 1400 [0600 GMT] this afternoon for the talks.

Meawhile, the Philippine panel will again be headed by Secretary of Foreign Affairs Raul Manglapus. [passage omitted]

Congressman Bonifacio Gillego expressed hope that the Philippine panel will not be swayed by an announcement from the U.S. Congress favoring a ten-year phase-out of the U.S. military bases in the country. According to Congressman Gillego, the demand for a ten-year phase-out has not been officially presented as the position of the U.S. panel. He added that the U.S. panel will be very tight-lipped about its proposals and will wait for the Philippine panel to present its views first.

[Begin Gillego recording in English] So I think that if they accept that, they would limit themselves to the points raised in that American-proposed alliance. I hope they do not get delimited by this statement coming from allegedly the United States Government. [end recording]

Meanwhile, Senator Wigberto Tanada also gave his views on the alleged statement. He said that the Philippines will achieve full independence sooner if it rejects the proposal.

[Begin Tanada recording in English] It will be easier to forge a treaty of friendship and cooperation with the United States as sought by the Senate resolution that has been filed and signed by 17 senators. If these American war facilities are withdrawn from our country, government can better accompany and lead the people in their quest for peace with justice and sovereignty with honor if the U.S. bases are removed from our base lands. [end recording]

Central Bank To Be Talks Venue

HK1709115790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 17 Sep 90

[By Rey Arquiza]

[Text] Philippine panel spokesman and Tourism Undersecretary Rafael Alunan announced that the bases talks will start tomorrow morning at the Central Bank building in Roxas Boulevard.

In an interview with diplomatic reporters, Alunan said the Philippines will do its best to win the best arrangement from the United States. According to Alunan, the bases talks which will be held from 18 to 22 September, will be very candid. Alunan said that the U.S. wants to change its relations with the Philippines, in that they would become wider in scope. The U.S. alleged plan of wider relations will include economic, political, and military issues, and not only security.

The Philippine panel members headed by Foreign Affairs Secretary Raul Manglapus include Health Secretary Alfredo Bengzon, vice chairman; Ambassador Raul Rabe, director general of the Office of American Affairs at the Department of Foreign Affairs; Ramon Desuasido, assistant solicitor general; and Feliciano Gacis Jr., defense undersecretary.

The American panel is composed of Richard Armitage as the chief negotiator; Rear Admiral Edward Baker, (Jamieson Shelby), Lincoln Bloomfield, and Frederick (Hope) as members. The U.S. Embassy clarified that Ambassador to the Philippines Nicholas Platt is not a panel member but a technical adviser. The embassy also announced that Armitage has arrived on board a U.S. Air Force plane.

Do Muoi Meets Departing UK Envoy

OW1509225990 Hanoi VNA in English 1450 GMT 15 Sep 90

[Text] Hanoi VNA Sept. 15—The ambassador of the United Kingdom of Great Britain and Northern Ireland, Emrys Thomas Davies, paid a farewell visit to Chairman of the Council of Ministers Do Muoi before ending his term of office in Vietnam.

New Tanzanian Envoy Pays Courtesy Calls

OW1409223090 Hanoi VNA in English 1504 GMT 14 Sep 90

[Text] Hanoi VNA Sept. 14—President of the State Council Vo Chi Cong and Chairman of the Council of Ministers Do Muoi have on separate occasions, received here the new Tanzanian Ambassador Ferdinand K. Ruhinda, who paid them a courtesy visit.

Vo Chi Cong Greets Chamorro on Independence Day

OW1409223390 Hanoi VNA in English 1503 GMT 14 Sep 90

[Text] Hanoi VNA Sept. 14—State Council President Vo Chi Cong has extended his greetings to President Violeta Barrios de Chamorro on the 169th independence day of Nicaragua (Sep. 15).

The message wished the Nicaragua people prosperity and happiness and the friendship and cooperation between the two countries [words indistinct] development.

Functions in USSR Mark Vietnamese Natonal Day

BK1509092690 Hanoi VNA in English 0711 GMT 15 Sep 90

[Text] Hanoi VNA Sept.15—"A Week of Vietnamese Films" was opened in Moscow on Sept. 12 on the occasion of the 45th National Day of Vietnam.

Earlier, an exhibition of illustrations of Vietnamese fairy tales by Soviet children was also opened in the Soviet capital city.

Other friendship activities were organized throughout the Soviet Union, including the performance of Vietnamese plays and martial arts in Odessa. A delegation of the Vietnam-USSR Friendship Association led by Dang Huu, member of the Communist Party of Vietnam Central Committee and head of the State Commission for Sciences, took part in many of these functions.

Reviewing these activities, V.V. Chusiev, first vice president of the Soviet-Vietnamese Friendship Society, said: "The Soviet people highly treasure their traditional friendship with the Socialist Republic of Vietnam. The heart of the Soviet people are always open to their fraternal Vietnamese people."

VNA Lists Additional National Day Greetings

BK1209161790 Hanoi VNA in English 1448 GMT 12 Sep 90

[Text] Hanoi VNA September 12—Vietnamese party and state leaders have received more greetings from different countries across the world on the occasion of the 45th National Day of Vietnam (September 2).

Congratulatory messages come from President Muhammad Husni Mubarak of Egypt, Queen Elizabeth of the United Kingdom, President Hussain Muhammad Ershad of Bangladesh, President Mario Soares of Portugal, President Zelio Zelev of Bulgaria, Prime Minister Andrey Lukanov of Bulgaria, Governor-General Ramon Jean Hnatyshyn of Canada, President of the Parliament Dr. Sabine Bergmann Pohl of the GDR, Chairman Lothar de Maiziere of the GDR, Federal President Richard von Weizsaecker of the FRG, President Joao Bernardo Vieira of Guinea-Bissau, Queen Beatrix Wi Lhelmina Armgard of the Netherlands, President Arpad Goncz of Hungary, Prime Minister Jozsef Antall of Hungary, President Saddam Husayn of Iraq, President Hashemi-Rafsanjani of Iran, Revolutionary Leader Colonel Mu'ammar al-Qadhdhafi of Libya, President Didier Ratsiraka of Madagascar, King Sultan Azlan Shah of Malaysia, Prime Minister Datuk Sri Mahathir Mohamed of Malaysia, President of the State Law and Order Restoration Council Saw Maung of Myanmar [Burma], King Olav V of Norway, President of the Collective Presidency Borisav Jovic of Yugoslavia, President of Federal Executive Council Ante Markovic of Yugoslavia, Governor-General Bill Hayden of Australia, President Corazon Aquino of the Philippines, President Ghulam Mustafa Jatoi [name and title as received] of Pakistan, President Vaclav Havel of the Federal Republic of Czech and Slovakia, Prime Minister Marian Calfa of the Federal Republic of Czech and Slovakia, President Ion Iliescu of Romania, Prime Minister Petre Roman of Romania, President Wee Kim Wee of Singapore, President Turgut Ozal of Turkey, President Francois Mitterrand of France, President France Albert Rene of Seychelles.

Party Greets Swedish Social Democratic Party

OW1409212190 Hanoi VNA in English 1457 GMT 14 Sep 90

[Text] Hanoi VNA Sept. 14—The Central Committee of the Communist Party of Vietnam today extended greetings to the 31st Congress of the Swedish Socialist Democratic Party (SSDP).

The message highlights the SSDP's important contribution to making a peaceful, neutral and prosperous Sweden and a nuclear-free Scandinavia, as well as to peace, security and cooperation among nations the world over. It sincerely thanked the SSDP and the Swedish people for their whole-hearted assistance and support to the Vietnamese people's national liberation in the past and national construction at present.

The message expressed the Vietnamese people's conviction that the friendship and cooperation between Vietnam and Sweden will further develop.

'Most' SRV Workers in GDR Want To Return

BK1609140190 Hanoi Domestic Service in Vietnamese 1430 GMT 15 Sep 90

[Text] In its 13 September issue, the BERLINER ZEITUNG published the contents of an interview with Comrade Tran Manh Tuan, head of the Board of Management of Vietnamese Workers in the GDR.

The comrade disclosed that as many as 3,800 of 4,600 Vietnamese workers in Berlin had been laid off. Meanwhile, those still employed are no longer eligible for the 120 mark-per-month expatriation allowance they used to receive from their employers. In addition, the social security contribution has been increased by three-fold, and in many areas, each worker has been asked to pay 230 marks for monthly rent. Generally, after all monthly commitments are settled, Vietnamese workers are left with a balance of only 200 marks or less.

According to the comrade, most Vietnamese workers are willing to leave for home immediately. However, the German airlines can only accommodate 2,000 seats per month. The comrade also disclosed that in addition to the extreme rightist elements, many GDR officials have also stained Vietnamese workers' honor. Security forces have conducted surprise searches without search warrants. Police have turned a blind eye to cases of Vietnamese workers being attacked or beaten. The Governments of Vietnam and the GDR have agreed on a 3,000-mark compensation package, but that compensation has not been paid in full.

In its 14 September issue, the paper NEUES DEUTSCHLAND ran an article on the current situation of foreign workers, especially Vietnamese workers, in the GDR. The paper revealed much evidence of the discrimination between East German and foreign workers as well as the difficulties facing Vietnamese workers in the GDR at present. The article cited a comment by correspondent Knauer regarding the problems facing foreign workers in the [words indistinct] area as follows: In the past, the GDR Government imported foreign workers to make up for its labor shortages. Now it has the responsibility to help those workers with their social difficulties.

Decision on Reorganizing Production, Business

BK1309101990 Hanoi Domestic Service in Vietnamese 0500 GMT 12 Sep 90

[Council of Ministers Decision No. 315 "on reorganizing and regulating production and business in a state-run economy"; issued on 1 September]

[Text] Ministers, heads of state committees and other agencies attached to the Council of Ministers, and chairmen of people's committees of provinces, municipalities, and special zones, in the spirit of various related decisions already promulgated, are authorized to design measures and formulate plans to reorganize and regulate production and business of all state-run economic sectors and establishments. This is aimed at regulating activities of these units, eliminating confusion in business, obtaining concrete economic results, and enabling state-run economy to take the leading role in the national economy.

According to the decision, units subjected to the reorganization are enterprises, unions of enterprises, corporations and general corporations engaging in industry, construction, transportation, postal service, business, and material supply; state-run agricultural, forestry, and fishery establishments; state-run tourist and service agencies; economic units of the armed forces; and those production, business, and service units established—in the form of economic collectives—by state agencies, mass organizations, and scientific research institutes with an aim to improve the daily life of and increase funds for workers in districts, wards, subwards, and villages. The reorganization work will be carried out in accordance with regulations stipulated in Council of Ministers Decision No. 268-HDBT dated 30 July 1990.

The main purpose of the reorganization is to review the functions, activities, and factors affecting production and business of grass-roots establishments as well as their financial situation in order to reclassify their real status to improve their functions, ensure their autonomy in production and business, and strengthen state guidance and control. It is also aimed at reclassifying units that operated at a loss to find appropriate measures to help them, monitor their activities, and dissolve those that still operated at a serious loss.

Attached to this decision was a Council of Ministers document defining some basic points of the regulation on dissolving state-run enterprises that operated at a serious loss.

Committee Assesses Quality of Party Members

BK1309112790 Hanoi Domestic Service in Vietnamese 0500 GMT 12 Sep 90

[Text] The Tien Giang provincial party committee inspection body has reviewed the observance of party statutes by all party members.

The inspection results of 2,750 cases under review indicate that as far as observance of party statutes by party organizations and party chapters is concerned, 78 percent of party members have been rated as satisfactory and more than 16 percent as unsatisfactory.

Disciplinary action has already been taken against violators.

QUAN DOI NHAN DAN on Theories of Renovation

BK1409103390 Hanoi Domestic Service in Vietnamese 1430 GMT 10 Sep 90

[QUAN DOI NHAN DAN 10 September Article by Ms. Hoang Tri Bao: "Self-Reliance and the Open-Door Issue"]

[Text] One of the valuable lessons of the Vietnamese revolution which was reviewed at the sixth party congress was upholding the banner of national independence and socialism and combining national strength with the force of the times. In the resolutions of many party Central Committee plenums following the congress, our party has continued to stress this lesson, considering it a concept and a principle that guides the development strategy the revolution in our country. This is also a part of the theories of renovation, the path leading us to socialism and changing our country into a prosperous, strong, and modern one to catch up with the general development standard of the world in the next century.

The revolutionary realities in our country and the renovation process of our society recently have given us the experience to apply this lesson. These realities have also revealed the necessity of deepening the theories of the reviewed lessons and the need to adopt a new concept and a new way of seeing and thinking that is suitable for the rapid changes taking place in social life and in the international political setting. These rapid changes make the application of the above lesson even more practical and closer to life's realities, bringing about improved results. Upholding the banner of national independence and socialism is a political orientation of the revolution, an aim we have chosen and which society should advance toward.

By and large, the way to achieve that aim is to combine national strength with the force of the times and to apply material dialectic and the principles on general relations and evolution. They constitute the philosophical basis that clarifies the abovementioned evolution of political realities.

The issue seems to have been clarified. All its aspects have been determined clearly, correctly, and generally. Now, we only have to introduce these principles into life, making them evolve through organizational policies and measures and human action. If the principles are correct, the results of their implementation must be good. However, facts show that it is not always so. Life is complex, multifarious, and rife with coincidences and contradictions. It does not accept rudimentary, simple, and one-sided solutions or approaches. It demands that people and capacities be regularly renewed in order to promote creativity and development, and it demands specific analysis for a specific situation.

What is said above directly relates to the perception of true values. A great lesson that our party has drawn is the necessity of overcoming all misunderstandings about that lesson in a specific area: Self-reliance and the open door policy for national construction and development.

Once applied to real life, the theory of upholding the national independence banner and of combining national strength with the force of the times has in fact manifested the spirit of self-reliance and the open-door policy. According to the parlance of political life, realities are equivalent to concepts and propositions on independence, sovereignty, self-reliance, struggle for international support and assistance, international solidarity and cooperation, and is a combination of patriotism with socialist internationalism.

Life has been imbued with these concepts and viewpoints reflected in the lines, policies, and measures adopted by the party and state and having existed as food for thought for each person. The problem raised now is that we must turn the contents of these concepts into policies, preserve their meaning, safeguard their principled character, and save them from being refracted through the lens of dogmatism and subjectivism or from being oversimplified and impoverished by one-sided thinking.

First of all, the theory on the organic attachment between national independence and socialism and between nation and time includes the following important affirmations:

Advancing to socialism is the inevitable path of development for our revolution. By choosing this path—the one that is consistent with the trend and prospect of history in the present time—we have been able to defend and fully and steadily develop our national independence, an achievement of our people in the revolutionary struggle. Meanwhile, by successfully ensuring national independence and sovereignty and peace for the people, we have created the basic conditions for advancing into the development orbit.

We must develop the social system that we have chosen in a practical, active, and most promising way in order to liberate the laboring people and ensure that they enjoy an abundant and happy life, democracy, and freedom. This means to make them the real masters of the country's process of creativity and development in all domains.

Socialism is the answer to that choice of history. To persist in that choice means to be aware of its natural necessity and to understand the law of objective evolution of history. It is not simply a political attitude.

Today, when socialism is compelled to overcome numerous ordeals and to face serious crises in many socialist countries in their continued effort to develop and ensure its true identity, our faith in the rightness of our choice of the socialist path and in the success of socialism is not easy to cling to. In order to inspire and firmly maintain this faith, it is necessary for all of us to be strictly disciplined. That faith is firmly based on the scientific comprehension of socialism.

A positive political attitude toward socialism must be defined on the basis of a scientific comprehension of socialism. Socialism has a higher standard and a newer quality than capitalism in the development of history. It is on a higher rung of the ladder of social progress and has the capacity to break the historical boundaries set by

capitalism. Therefore, in affirming and grasping its typical values—the values that characterize its superiority as a social system—socialism still has to spend a lot of time and effort on exploring and experimenting with new things in its development to perfection.

Socialism cannot be built in a nation without involving the nation's specific historical characteristics and primitive and special customs. However, in nature, socialism, which is based on Marxist-Leninist doctrine, is the crystallization of the best values of mankind's culture in the present time. No country can advance to socialism without first accepting it.

Each nation, when selecting its socialist development path, will further enrich and diversify the many symbols of the nature of socialism, but this does not mean that it will lead to an isolated and parochial nationalist socialism. This example shows the complex and sophisticated intertwinement between the national and international elements in the process of growth of each country.

The concept of self-reliance should be understood from this perspective. The logic of the issue is clear and simple. In practice, however, it is not. This is because one has to develop and create for oneself a stature and strength for solving his own problems. No one can solve these problems on someone's behalf. Only through independent thinking and creative research can one act creatively and effectively and thereby achieve renovation and development without being driven into dependency and passivity. In this way one gains greater strength through reorganization. We can achieve self-reliance only by standing on our feet. We must be self-reliant in order to continue developing by our own means and ensuring self-defense. At the same time we must take our worthy place in today's international community, which is advancing in an expeditious and turbulent manner.

The true nature of self-reliance requires efforts to overcome wrongs which are actually harmonious as integrated impediments in the natural and healthy process of growth. Traits regarded as insurmoutable are passivity and a dependency on outside help, ethnic inferiority, and the blind worship of various forces, values, efficiencies, and new products. On the other hand, from another perspective, the extremist concepts of self-reliance may lead one to deceive oneself, thereby making it impossible for one to correctly assess one's own state of affairs.

If the first tendency leads to dogmatic and unthinking aping and indiscriminate acceptance of everything without criticism, this will lead to mistakes in political principles. It will inject toxins into the renovation that will disease society, which the later tendency can revive and develop the traits of conservatism and procrastination [as heard]. The rigidity and excessiveness of various policies and measures will impede the development of cooperative relations and alliance in various areas of daily activity. The renovation undertaking, while being motivated by the settlement of the most pressing issues of daily life at present, is approaching a developing trend—a future socialist, civilized, and modern Vietnam. [words indistinct]

We must bring our national strength up to the international and epochal level. Our people have proven that they possess latent creativity in their struggle for independence and freedom and for national construction. Today, together with this strength, the strength of self-confidence, modesty, open-mindedness, and cooperation, we can understand more comprehensively and can handle better those problems now being raised for national development in close coordination between the national and epochal strength and between the goal of national independence and socialism and between self-reliance and door-opening.

Dong Sy Nguyen Inspects Typhoon Damage

BK1409133990 Hanoi Domestic Service in Vietnamese 0500 GMT 13 Sep 90

[Text] Dong Sy Nguyen, vice chairman of the Council of Ministers, and cadres in charge of ministries and sectors recently went to Nghe Tinh, Quang Binh to inspect the damage caused by typhoon number 5.

Dong Sy Nguyen, vice chairman of the council of ministers, gave his directives:

On restoring coastal dykes, first, broken dykes should be sealed to prevent sea water from getting in, and so that they are ready for the winter rice crop and the 10th month rice crop. Use the three local labor agencies to get help and postpone projects that are not urgent so that there are enough funds to repair the dykes.

The Ministry of Water Conservancy should adjust the 1990 dyke fund to help these provinces. The restoration of deteriorating dykes and dyke improvement and planting trees as wave buffers will be considered in the 1991 National Plan.

For agriculture, harvest the summer-fall rice crop quickly and efficiently. Watch the weather closely, and give orders to reap the rice even when it is not ready as a caution against typhoons. Prepare enough fertilizer and seeds for winter crops, mainly fall-winter and winter sweet potatoes. At the same time, control local grain tightly and motivate the people to save grain. Buy up surpluses from bumper harvest areas for storage and distribute them locally. The chairman of the people's committee in the two provinces are responsible for controlling and balancing the food supply and preventing food shortages in both provinces.

The Ministry of Agriculture and Food Industry should prepare enough fertilizers, suitable seeds, and veterinary medicine for livestock against an epidemic.

The Ministry of Public Health and the two provinces should make sure there is enough medication to treat environmental diseases that result from typhoons.

The Ministry of Communication, Transportation, Post, and Telegraph should allot part of the 1990 communication fees and profits from postal services to support the two provinces in restoring public roads and telephone posts.

The Ministry of Finance together with the two provinces should also discuss thoroughly and suggest to the Standing Committee of Council of Ministers the level of assistance needed and measures to help needy people.

Ho Chi Minh City Gas Rationed; Prices 'Soar'

BK1409145290 Hong Kong AFP in English 1344 GMT 14 Sep 90

[Text] Hanoi, Sept 14 (AFP)—Petrol is being rationed in Vietnam's economic capital of Ho Chi Minh City, where supplies have been interrupted for several days, the daily SAIGON GIAI PHONG said in a report seen here Friday. The petrol shortage has caused prices to soar on the free market in Ho Chi Minh City, with the cost of a litre doubling to 3,000 dong (45 U.S. cents) from a few days earlier, the newspaper said in its Tuesday edition.

The interruption to petrol supplies is mainly due to a cut in shipments from the Soviet Union, which has provided almost 80 per cent of the country's needs up to now, western experts said. They said Vietnam was buying petrol from Singapore and Japan to meet demand.

Vietnamese authorities are limiting petrol sales to three litres for mopeds and 20 litres for cars, buses and trucks while the sale of petrol in cans has been forbidden, the newspaper said.

Hanoi had also been affected. A litre of petrol now costs 1,750 dong (27 cents) on the free market, up from 1,100 dong (18 cents) earlier.

Vietnamese sources said the reduction in purchases from the Soviet Union was likely because Hanoi now has to pay for some imports in hard currency and also because Moscow might have cut shipments in the wake of the gulf crisis.

Joint Soviet-SRV Firm Discovers Oil Deposit

BK1509132290 Hanoi Domestic Service in Vietnamese 1430 GMT 13 Sep 90

[Text] The Tam Dao oil drilling rigs of the joint Vietnamese-Soviet Oil and Gas Company recently discovered oil at the second rig of the Dai Hung mine. The oil deposit is expected to produce more than 400,000 cubic meters a day, the highest capacity so far for our country.

This oil deposit is 200 km offshore. With these results, the company will be able to exploit the Dai Hung mine earlier than planned.

Highway to PRC Border Friendship Gate Repaired

OW1509225390 Hanoi VNA in English 1445 GMT 15 Sep 90

[Text] Hanoi VNA Sept. 15—The portion of the national highway 1A linking Hanoi capital to the friendship gate on the Sino-Vietnamese border has been rehabilitated just in time for the Vietnamese sports delegation to go to China for the Asian Games to be opened in Beijing on Sept. 22.

The four-kilometre portion from Dong Dang town of Lang Son Province to the Sino-Vietnamese border of this 172-km highway was heavily damaged during the war in 1979, and was later laid with mines in many places. All the mines have now been removed, and the six-metre wide road leading to the border has been topped with reinforced asphalt.

State Council Marks VNA Founding Anniversary

OW1409210390 Hanoi VNA in English 1451 GMT 14 Sep 90

[Text] Hanoi VNA Sept. 14—On Sept. 15, 1945, 13 days after President Ho Chi Minh [word indistinct] the declaration of independence proclaiming the birth of the Democratic Republic of Vietnam, the wireless station of the provisional government transmitted the full text of the declaration of independence in English and French. That is the founding day of VIETNAM NEWS AGENCY (VNA).

A small department of the former Ministry of Information and Propaganda in 1945, VNA has become a national news agency, the official information service of the Vietnamese state headquartered at No. 5, Ly Thuong Kiet Streets, Hanoi.

With a network of 44 bureaus inside the country and 16 other abroad, VNA every day receives 80 hours of news from domestic bureaus, 220 hours from foreign countries and transmits 25 hours of news to bureaus inside the country and other offices and from 12 to 15 hours of news in English, French and Spanish to the world. In addition, VNA everyday transmits five hours of cable photos to foreign subscribers and three photos to the photo international network in Prague.

VIETNAM NEWS AGENCY communicates round-the-clock by satellite with the Soviet news agency TASS in Moscow. It is directly linked to the Hungarian news agency MTI in Budapest and the Cuban news agency PRENSA LATINA in Havana. It receives news from the Indian news agency PTI by satellite via Moscow. At present, VNA transmits about 175,000 bauds a day.

VIETNAM NEWS AGENCY has become member of the coordinating committee of the non-aligned news agency pool since 1976 and member of the executive board of the Organization of Asia-Pacific News Agency (OANA) since 1988.

At a ceremony to mark its 45th founding anniversary here this morning, VIETNAM NEWS AGENCY was conferred the Ho Chi Minh Order by the State Council.

Australia

Hawke 'Would Welcome' Japanese Military Role

OW1409192090 Tokyo KYODO in English 1429 GMT 14 Sep 90

[Text] Canberra, Sept. 14 KYODO—Australian Prime Minister Bob Hawke said Friday he would welcome a possible Japanese military role in the Persian Gulf crisis.

Hawke, speaking to Japanese reporters here in advance of his visit to Japan September 16-20, said he has told Prime Minister Toshiki Kaifu that the Australian Government would welcome a Japanese decision to send minesweepers or get involved militarily in other ways. Hawke also said he told Kaifu of his appreciation of Japan's financial assistance to the multinational forces deployed in the Gulf region to confront Iraq following its invasion of Kuwait on August 2.

Noting that he is well aware of Japan's concerns that any military activity on its part would cause suspicion among Asian nations, Hawke said he told Kaifu that he need not worry about Australia if Japan decides on some military commitment in the Gulf crisis. Japan has thus far refrained from taking any military action in the Gulf crisis, citing its constitutional ban on the use of force to solve international disputes.

Australia was among the first nations to send warships to the Gulf region at the outbreak of the Iraqi aggression.

Turning to agricultural issues, Hawke urged Japan to settle pending issues in the current Uruguay Round multinational trade talks. All negotiating nations must submit by October 15 a list of agricultural products they will liberalize. Japan has been harshly criticized for its insistence on continuing to ban rice imports.

On the selection of the site for the 1996 Summer Olympics, reportedly the top priority for his visit, Hawke was enthusiastic about hosting the games in Melbourne. He will attend the International Olympic Committee general assembly scheduled in Tokyo September 17-21 to urge members to select the Australian city.

Hawke last visited Japan in December 1987.

Effect of Kashmir Conflict on Jet Sales Noted

BK1809093890 Hong Kong AFP in English 0924 GMT 18 Sep 90

[Text] Canberra, Sept 18 (AFP)—Australia's Foreign Minister Gareth Evans said Tuesday that reports of skirmishes between India and Pakistan would not stop the sale by the Australian Government of Mirage jets to Pakistan.

He was reminded by opposition Defence spokesman Peter Durack in parliament of a recent pledge that if "hostilities should seem more imminent than they do at the moment" (between India and Pakistan) then Australia would review the contract. Mr. Durack said there had since been reports the two countries were exchanging heavy artillery fire along the Kashmir border.

Mr. Evans told the parliament his reference to hostilities had been intended to refer to full-scale war rather than the exchange of fire or skirmishes. He said he was aware of the current situation, but he did not believe full-scale hostilities were imminent. The government would, however, keep the situation under close watch.

The 36 million dollar (30 million U.S.) deal involves the sale of 50 Mirage jets which have been replaced by the FA/18 fighter in Australia.

MP Outlines Plot To Assassinate Hawke in 1988

BK1709153590 Hong Kong AFP in English 1520 GMT 17 Sep 90

[Text] Canberra, Sept 17 (AFP)—An MP claimed Monday to have information about a conspiracy by a neo-Nazi organisation to assassinate Prime Minister Bob Hawke on Australia Day, 1988, and blame the Aborigines. Labor backbencher Keith Wright told journalists here that a secret source involved with the organisation had claimed the plot involved both black and white South Africans.

The informant had been involved with what was described as "a paramilitary organisation" and had worked his way into a senior position in the belief that it was set up to help Aborigines with land-rights claims, Mr. Wright said. But the informant left the organisation when he learnt of the plot to kill Mr. Hawke and to implicate Aborigines in the death, he said.

Mr. Wright is the leader of a joint parliamentary committee on the Australian Security and Intelligence Organisation (ASIO), Australia's equivalent of the U.S. Central Intelligence Agency. He said he took his information to ASIO and senior officers were expected to meet his informant next week.

A spokesman for Mr. Hawke in Canberra had no comment Monday. However, government sources said the prime minister was not aware of any assassination plan.

According to Mr. Wright, his informant had said the organisation was involved in recruiting Aborigines and in selling military weapons and had more than 2,000 members across Australia. Under the plan, black South Africans were supposed to mix with Aborigines during an Aboriginal protest march in Sydney on Australia Day, January 26, 1988. A South African, who was to be positioned about one kilometre (0.6 mile) from Mr. Hawke, was supposed to shoot in the direction of the prime minister. Then an accomplice much closer to Mr. Hawke was supposed to actually kill the prime minister and the blame would be laid on radical aborigines in the crowd. A third accomplice would then throw a bomb into the Aboriginal crowd, killing the gunman and witnesses.

"My informant tells me they now have documents to show they (the neo-Nazis) have some 2,000 key people across the nation," Mr. Wright said. "The strategy was for black Africans to be part of the Aboriginal march in Sydney, and that one of those people would be given the task of assassinating the prime minister." But it was not until the informant went to a university friend, now a prominent minister in the Hawke government, that any action was taken, Mr. Wright said.

Security for Mr. Hawke on the day was dramatically upgraded after authorities were warned of the plot, Mr. Wright added. The informant told Mr. Wright the "prominent minister" he informed was the then Defence Minister Kim Beazley, who is now communications and transport minister. The informant claimed Mr. Beazley said the information had created "the biggest security flap since World War II". A spokesman for Mr. Beazley refused to comment on the claims but said Mr. Beazley "gets all sorts of claims made to him".

Mr. Wright said he spoke out after details of the plot were exposed on a Melbourne television program earlier Monday.

A spokesman for the Australian Federal Police, which is responsible for Mr. Hawke's security, could not be contacted for comment late Monday.

Papua New Guinea

PRC Ties Strained Over Taiwan Minister's Visit

BK1809092290 Hong Kong AFP in English 0905 GMT 18 Sep 90

[Text] Port Moresby, Sept 18 (AFP)—Relations between Port Moresby and Beijing were strained further Tuesday in the aftermath of a diplomatic exchange over a visit to Papua New Guinea by Taiwan's Foreign Minister Freddy Chien.

Foreign Affairs Minister Sir Michael Somare summoned China's ambassador to Port Moresby, Zhoa Wei, who on Monday had walked out of an official independence day flag-raising ceremony in protest at Mr. Chien's visit. The row began when Mr. Chien arrived in Port Moresby Friday for what foreign affairs officials described as an unofficial visit. He was here as a personal guest of Sir Michael, they said.

Beijing protested vigorously, saying it was "not acceptable" for a country with which it had diplomatic relations to pursue any contact, official or semi-official, with Taiwan, which disputes its sovereignty over China.

Sir Michael's reaction to Ambassador Zhoa's walkout was equally vigorous. "As the founding father of the nation I have every right to invite whoever I want," said Sir Michael, who was Papua New Guinea's first prime minister. "I didn't break any diplomatic (protocols). We still have a one-China policy".

The diplomatic row has not yet affected Chinese aid to Papua New Guinea, which includes a bilateral agreement covering construction of major facilities for next year's South Pacific Games. China is contributing more than seven million kina (7.5 million dollars) towards the cost of major facilities including an indoor stadium and administration building, a grandstand and athletic track stadium and various outdoor sports fields. More than 100 Chinese construction workers are currently in Port Moresby building the facilities. A Chinese Embassy spokesman said the agreement was part of the "goodwill and friendship" between the two countries and was not under threat.

Country Expected To Be Oil Exporter by 1992

BK1409141590 Hong Kong AFP in English 1336 GMT 14 Sep 90

[Text] Singapore, Sept 14 (AFP)—Papua New Guinea is likely to be an oil exporter by 1992, but development efforts will have to deal with the thorny issue of compensation for local residents, an oil company official said here.

Bradley Ledu, land and government relations manager for Chevron Niugini Pty. Ltd., said that talks were proceeding on social aspects of the South Pacific state's first oil development project. "Sensitivity to the need for local involvement cannot be overemphasised and must be addressed by every developer," he said in a paper to an oil seminar held here Thursday.

Papua New Guinea is still suffering from a drive by local landowners for compensation from an Australian-run copper mine on the island of Bougainville. Their claims mushroomed into a bloody guerrilla war for secession.

Chevron is a member of a group holding a prospecting licence for exploration in the Southern Highlands Province where potentially lucrative oil fields were discovered in 1985 near the remote Lake Kutubu. Mr. Ledu said if licenses were issued this year, construction could begin immediately and production of crude could start up in two years.

"In all likelihood Papua New Guinea will become an oil exporting nation by the end of 1992," he said. "It is our hope and the stated desire of the government that the Kutubu project will provide encouragement for other upstream petroleum companies to invest and find new fields for development," he added.

Mr. Ledu said the project would involve development of three oil fields in the region about 550 kilometres (330 miles) northwest of the Papua New Guinea capital of Port Moresby. "Recoverable resources are currently estimated to be 170 million barrels and we foresee a field life of 10-12 years," he said.